Group interim report – First Half-Year

1 January – 30 June 2023

OVB profile

With more than 4.4 million clients, over 5,800 full-time financial advisors and business operations in 16 national markets, OVB is one of the leading financial intermediary groups in Europe.

Contents

Key figures for the OVB Group H1 2023

Key operating figures

	Unit	01/01 - 30/06/2022	01/01 - 30/06/2023	Change
Clients	Number	4.22 m	4.41 m	+ 4.5 %
Financial advisors	Number	5,630	5,806	+ 3.1 %
Brokerage income	Euro million	169.7	170.6	+ 0.5 %

Key financial figures

	Unit	01/01 - 30/06/2022	01/01 - 30/06/2023	Change
Earnings before interest and taxes (EBIT)	Euro million	11.2	6.8	- 38.8 %
EBIT margin	%	6.6	4.0	- 2.6 %-pts
Consolidated net income after non-controlling interests	Euro million	6.2	5.3	- 14.8 %
Earnings per share (undiluted)	Euro	0.44	0.37	- 14.8 %

Key figures for the regions H1 2023

Central and Eastern Europe

	Unit	01/01 - 30/06/2022	01/01 - 30/06/2023	Change
Clients	Number	2.88 m	3.04 m	+ 5.4 %
Financial advisors	Number	3,312	3,581	+ 8.1 %
Brokerage income	Euro million	86.5	95.1	+ 10.0 %
Earnings before interest and taxes (EBIT)	Euro million	8.9	8.3	- 7.6 %
EBIT margin	%	10.3	8.7	- 1.7 %-pts

Germany

	Unit	01/01 - 30/06/2022	01/01 - 30/06/2023	Change
Clients	Number	614,407	613,813	- 0.1 %
Financial advisors	Number	1,211	1,165	- 3.8 %
Brokerage income	Euro million	31.0	27.7	- 10.8 %
Earnings before interest and taxes (EBIT)	Euro million	3.9	2.4	- 38.2 %
EBIT margin	%	12.4	8.6	- 3.8 %-pts

Southern and Western Europe

	Unit	01/01 - 30/06/2022	01/01 - 30/06/2023	Change
Clients	Number	722,135	757,584	+ 4.9 %
Financial advisors	Number	1,107	1,060	- 4.2 %
Brokerage income	Euro million	52.2	47.7	- 8.5 %
Earnings before interest and taxes (EBIT)	Euro million	4.5	1.6	- 64.3 %
EBIT margin	%	8.7	3.4	- 5.3 %-pts

Percentages and figures may be subject to rounding differences. Percentages are calculated on the basis of EUR thousand.

Frank Burow, CFO

- Born 1972
- More than 20 years of experience in finance, accounting and controlling
- With OVB since 2010

Mario Freis, CEO

- Born 1975
- More than 25 years of experience in the distribution of financial services
- With OVB since 1995

Heinrich Fritzlar, COO

- Born 1973
- More than 20 years of experience in the fields of insurance and IT consulting
- With OVB since 2022

Dear shareholders, ladies and gentlemen,

OVB Holding AG achieved slight sales growth in the first half of 2023. After the predictably difficult first quarter of 2023, we have thus succeeded in quickly returning to a growth trajectory. We are seeing a very high level of activity by our European sales team and are registering growing demand for advisory services among our clients. We increased the number of our clients by 4.5 per cent to 4.41 million. We expanded our sales team to a total of 5,806 financial advisors and brokerage income from Euro 169.7 million to Euro 170.6 million.

One of our recipes for success is strong diversification, with pan-European positioning in 16 countries and an extensive, well-balanced product portfolio. We more than compensated for the decline in Germany and in Southern and Western Europe in the first six months of the year with our strong performance in Central and Eastern Europe, where we increased our brokerage income by 10.0 per cent to Euro 95.1 million. We can see a similar mechanism at the level of new business: While higher interest rates are leading to a strong decline in financing business, other product groups are contributing more sales to our new business. For example, we are currently observing increased demand for unit-linked provision products.

As our performance in the first half of 2023 was in line with expectations, we are optimistic and maintaining our forecast for the year as a whole. Taking account of the continuing uncertainties over macroeconomic developments, we are anticipating brokerage income in a range between Euro 325 million and Euro 350 million and operating income of between Euro 16 million and Euro 19 million for the 2023 financial year.

Yours,

Mario Freis CEO	Frank Burow CFO	Heinrich Fritzlar COO

OVB on the capital market

The German stock index closed trading at year-end 2022 at 13,924 points. The economic framework continues to be determined by war, inflation and the turnaround in interest rates in the year 2023. The German stock market still recorded a very good performance over the first three months. Compared to year-end 2022, the DAX gained 12.2 per cent, coming to 15,629 points as of 31 March 2023.

The recovery of the German benchmark index continued in the second quarter. For the first time since January 2022, the closing price of the DAX surpassed the 16,000 points mark on 18 May. In the following month, a new all-time high was reached. The DAX broke through the 16,400 points line briefly on 16 June before closing trading at 16,358 points. As of the reporting date of the financial statements at hand, the benchmark index came to 16,148 points, equivalent to an increase of 16.0 per cent since the beginning of the year. Especially the already receding inflation rates and the hopes of investors for a subsequently less tight monetary policy had a positive effect on stock prices.

WKN/ISIN Code	628656/DE0006286560	
Stock symbol / Reuters / Bloomberg	O4B/O4BG.DE/O4B:GR	
Class of shares	No-par ordinary bearer shares	
Number of shares	14,251,314	
Share capital	Euro 14,251,314.00	
Xetra price (closing prices)		
Prior year-end	Euro 22.00	(30/12/2022)
High	Euro 25.40	(11/05/2023)
Low	Euro 22.00	(03/01/2023)
Last	Euro 23.80	(30/06/2023)
Market capitalization	Euro 339 million	(30/06/2023)

SIGNAL IDUNA Lebensversicherung a. G.
31.67 %

Free float
3.01 %

SIGNAL IDUNA Krankenversicherung a. G.
21.27 %

Baloise Beteiligungsholding GmbH
32.57 %

Generali CEE Holding B.V.
11.48 %

Shareholder structure of OVB Holding AG as of 30/06/2023

The share of OVB Holding AG closed the year 2022 with a price of Euro 22.00. Over the first three months of 2023, the stock price ranged between Euro 22.00 and Euro 23.60. As of the end of the first quarter, the price was Euro 22.60. Starting in April, the share price went up considerably, peaking with a closing price of Euro 25.40 on 11 May 2023 – this year's high so far. As of the reporting date of these half-year financial statements, the share was priced at Euro 23.80. Only 3.0 per cent of the shares of OVB Holding AG are free float so that the trading volume and thus the significance of the share price are closely limited.

After three consecutive virtual general meetings of shareholders, the Annual General Meeting of OVB Holding AG on 14 June 2023 was the first meeting held with the physical presence of shareholders again. 96.99 per cent of the share capital was represented. In his keynote speech, CEO Mario Freis talked about the successful 2022 financial year and put the sound performance of OVB into the context of the now completed strategy period. An outlook on the follow-up strategy »OVB Excellence 2027« was presented as well. A large majority of the shareholders followed the Company's proposals in their resolutions, approving among other items the payment of a dividend in the amount of Euro 0.90 per share. This equals a dividend payout of Euro 12.83 million.

Interim consolidated management report of OVB Holding AG for the period from 1 January to 30 June 2023

Course of business

OVB Holding AG is at the top of OVB Group as the management holding company. OVB stands for cross-thematic financial advice based on a long-term approach. Private households in Europe represent the key target group. The Company cooperates with more than 100 high-capacity product providers and fulfills its clients' individual needs with competitive products, starting at basic protection for financial security as well as asset and financial risk protection, followed by retirement provision, asset generation and wealth management.

OVB operates as an intermediary for financial products in 16 countries of Europe at present. 5,806 full-time OVB financial advisors support 4.41 million clients. The Group's broad European positioning stabilizes OVB's business performance and opens growth potential. OVB's 16 national markets are different in terms of structure, development status and size. OVB has a leading market position in many of these countries. In the course of demographic transition, the number of senior citizens in Europe rises as the number of young people is going down. Public social security systems are increasingly overburdened. Especially in economically challenging times that affect private households in particular, personal advice is gaining in relevance. OVB therefore continues to see considerable potential for the services it provides.

The cross-thematic advice of clients through all stages of their lives is based on a comprehensive, tried and tested approach: The identification and analysis of each client's financial situation form the basis of counselling. The financial advisors particularly ask for the clients' wishes and goals and then create individually tailored solutions in consideration of personal financial resources, solutions with a long-term horizon that are both affordable and sufficiently flexible. OVB accompanies its clients over many years. Service meetings with clients are held on a regular basis in order to consistently adjust our clients' financial planning to their current situation in life. This effort results in protection and provision concepts suited to each client's demands and respective phase of life.

OVB has pushed in-house digitization over the past few years and accelerated the provision of the technical resources required for digitally supported advisory service. Thanks to targeted investments, all of OVB's operating subsidiaries have comprehensive solutions at their disposal for providing video-based advice and concluding business transactions digitally online.

The professional training of financial advisors, the analysis of client demands and the resulting product recommendations are based on the general conditions prevailing in the respective market. The continuous advancement of these issues is given great emphasis. OVB is prepared for a swift response to any future regulatory or qualitative requirements.

OVB Group had altogether 746 employees on average in the reporting period (previous year: 702 employees) in the holding company, the head offices of the operating subsidiaries and the service companies controlling and managing the Group.

Within the framework of the 2022 Annual Report released at the end of March 2023, OVB introduced its new corporate strategy »OVB Excellence 2027« as the result of an extensive strategy development process. Focal strategic topics are »Sales and Career Excellence«, »Expansion and Innovation«, »People and Organization« and »Operational Excellence«.

Macroeconomic environment

OVB currently operates in 16 European countries, divided into three regional segments: OVB's Central and Eastern Europe segment comprises the national markets Croatia, Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia and Ukraine; the Group generated roughly 53 per cent of its sales in this segment in the previous year. 18 per cent of OVB Group's sales were accounted for by the German market in the past financial year. The national markets Austria, Belgium, France, Greece, Italy, Spain and Switzerland constitute the Southern and Western Europe segment, contributing roughly 29 per cent to OVB Group's brokerage income in 2022. With the exception of Switzerland, these countries belong to the eurozone. OVB thus generates more than four fifths of its brokerage income outside Germany. Against this backdrop, it is important to consider the macroeconomic development in Europe for an assessment of the business performance. Among the relevant factors are economic growth, the development of the job market and changes in the real income of private households.

The impact of Russia's war of aggression against Ukraine continues to be felt across the globe in the year 2023. Human suffering, geopolitical tensions and supply chain issues remain.

In addition to that, high inflation rates keep increasing the cost of living significantly for private households. Monetary policies implemented by the central banks, especially the several pronounced interest rate hikes, slow down economic growth and make financing options more expensive.

The International Monetary Fund (IMF) reports a slowdown of economic growth in the eurozone to 0.9 per cent for the full year 2023 in its World Economic Outlook (July 2023), compared to economic growth of 3.5 per cent in 2022.

After its gross domestic product went down in the fourth quarter of 2022 and the following first quarter of 2023, Germany is in a technical recession. For the full year 2023, the IMF experts anticipate a decline in Germany's gross domestic product by 0.3 per cent.

Setbacks in economic growth coincide with high inflation rates. In 2022, the increase in consumer prices in the eurozone amounted to 8.4 per cent on annual average, according to the IMF (April 2023). Especially commodities, energy and food have become significantly more expensive. Inflation has been reduced from its high level to some degree over the past few months. For June 2023, inflation came to 5.5 per cent compared to the prior-year month, according to information provided by Eurostat, the statistical office of the European Union, and thus amounted to less than 6 per cent for the first time this year. For the full year 2023, the IMF anticipates an increase in consumer prices by 5.2 per cent in the euro area.

Rising inflation has caused several central banks to tighten their previously loose monetary policies and to consider further interest rate moves for the near future. Most recently, on 27 July 2023 the ECB put its ninth key interest rate increase in effect since 2022. With another hike by 25 basis points, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility are 4.25, 4.50 and 3.75 per cent, respectively, as of 2 August 2023. The job market situation continues to be robust.

Key macroeconomic indicators

	Real GDP (change in %)			Consumer prices (change in %)*			Unemployment rate in % [Unemployed / (Employed + Unemployed)]		
	2022	2023f	2024f	2022	2023f	2024f	2022	2023f	2024f
Croatia	6.3	1.7	2.3	10.7	7.4	3.6	6.8	6.4	6.0
Czech Republic	2.4	-0.5	2.0	15.1	11.8	5.8	2.3	3.5	2.5
Hungary	4.9	0.5	3.2	14.5	17.7	5.4	3.6	4.1	3.8
Poland	4.9	0.3	2.4	14.4	11.9	6.1	2.9	3.2	3.5
Romania	4.8	2.4	3.7	13.8	10.5	5.8	5.6	5.6	5.4
Slovakia	1.7	1.3	2.7	12.1	9.5	4.3	6.1	6.0	5.9
Slovenia	5.4	1.6	2.1	8.8	6.4	4.5	4.0	3.9	4.0
Ukraine	-30.3	-3.0	-	20.2	21.1	-	24.5	20.9	-
Eurozone	**3.5**	**0.9**	**1.5**	**8.4**	**5.2**	**2.8**	**6.8**	**6.8**	**6.8**
Germany	1.8	-0.3	1.3	8.7	6.2	3.1	3.1	3.3	3.3
Austria	5.0	0.4	1.1	8.6	8.2	3.0	4.8	5.3	5.6
Belgium	3.1	0.7	1.1	10.3	4.7	2.1	5.5	6.0	6.0
France	2.5	0.8	1.3	5.9	5.0	2.5	7.3	7.4	7.3
Greece	5.9	2.6	1.5	9.3	4.0	2.9	12.2	11.2	10.4
Italy	3.7	1.1	0.9	8.7	4.5	2.6	8.1	8.3	8.4
Spain	5.5	2.5	2.0	8.3	4.3	3.2	12.9	12.6	12.4
Switzerland	2.1	0.8	1.8	2.8	2.4	1.6	2.2	2.3	2.4

f = forecast; * = changes in consumer prices presented as annual average
Source: IMF World Economic Outlook (April 2023, July 2023)

High inflation rates have the consequence for private households that less money for risk protection and provision is available after spending on essentials of life. Especially lower-income groups of people do not have the resources at their disposal anymore for signing new contracts.

The strained financial situation may also lead to cancellation of existing contracts.

On the other hand, higher risks in the political and economic environment produce a much higher readiness among private households for taking care of financial provision and protection, and the demand for advice is rising. In addition, investors have become increasingly aware of the importance of retirement provision. In demand are above all direct investments in funds and unit-linked life insurance or pension schemes. OVB offers a large product portfolio, from promising investments to more security-oriented capital investments. OVB's self-employed financial advisors are able to compile offers suited to every investor's personal situation in life and risk propensity.

Furthermore, in many countries OVB identifies considerable growth for products protecting against biometric risk such as death, invalidity, sickness or care dependency. And apart from that, a rising number of investors attach value to sustainable investments in direct or indirect support of pursuing ecological or social goals.

OVB is certain that the demand for cross-thematic, competent and comprehensive personal advice on all kinds of financial matters is increasing: The product offering for private households is almost inscrutable and state support plans are hard to comprehend. In addition to that, financial decisions once made must be routinely reviewed and adapted, if necessary, to changing needs and situations in life but also due to changing market forces.

The market for private risk protection and provision therefore continues to offer long-term market potential and sound opportunities for growth.

Breakdown of new business
1-6/2023 (1-6/2022)

Unit-linked provision products
36.4 % (33.0 %)

State-subsidised provision products
7.9 % (9.2 %)

Building society savings contracts/financing
5.9 % (13.8 %)

Property, accident and legal expenses insurance
15.9 % (15.0 %)

Health insurance
2.4 % (1.9 %)

Investment funds
5.6 % (6.4 %)

Other provision products
25.9 % (20.6 %)

Real property
0.0 % (0.1 %)

Business performance

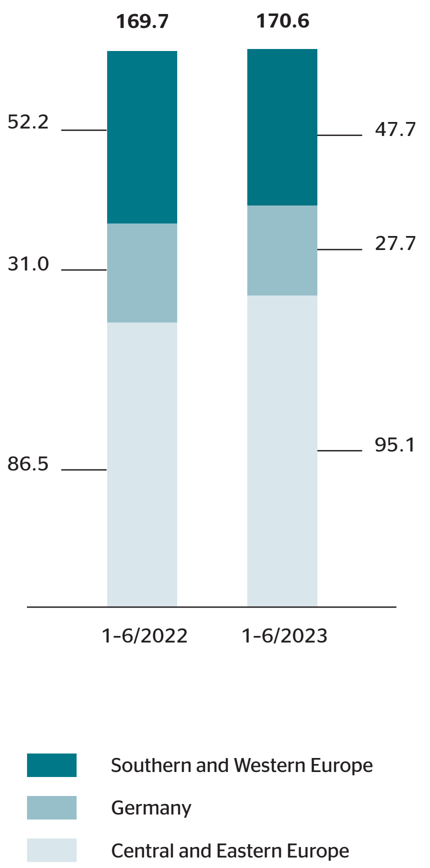
OVB Group generated brokerage income in the amount of Euro 170.6 million in the first six months of financial year 2023. Compared to the prior-year amount of Euro 169.7 million, the Company thus managed to record a slight growth of 0.5 per cent, accounted for primarily by the positive development in the Central and Eastern Europe segment.

By the end of June 2023, OVB supported 4.41 million clients in 16 countries of Europe (previous year: 4.22 million clients), equivalent to a 4.5 per cent increase.

The total number of financial advisors working for OVB went up from 5,630 as of the prior-year reporting date by 3.1 per cent to 5,806 financial advisors as of 30 June 2023.

The structure of new business of the first half-year 2023 has changed only slightly from the prior-year period of comparison: The share of unit-linked provision products grew from 33.0 per cent to 36.4 per cent, continuing to represent the largest share of products brokered in the Group. The share of other provision products climbed to 25.9 per cent after 20.6 per cent in the first six months of 2022. Property, legal expenses and accident insurance accounted for 15.9 per cent in the new business as compared to 15.0 per cent in the previous year. The product group of building society savings contracts/financing went down from 13.8 per cent to 5.9 per cent due to the increased interest rate level. Respective shares of state-subsidized provision products and investment funds went slightly down as well while the share of health insurance policies was up insignificantly. The real property business remained at its low level.

Brokerage income by region
Euro million, figures rounded*



Central and Eastern Europe
In the Central and Eastern Europe segment, brokerage income went up considerably from Euro 86.5 million by 10.0 per cent to Euro 95.1 million. Almost all the national markets of the target region contributed to this growth in sales. The number of financial advisors working for OVB in the region increased from 3,312 as of the prior-year reporting date by 8.1 per cent to 3,581 as of 30 June 2023. They supported 3.04 million clients (previous year: 2.88 million clients), indicating 5.4 per cent growth.

Unit-linked provision products continued to account for the lion's share in new business at 39.0 per cent (previous year: 32.9 per cent) in the Central and Eastern Europe segment, followed by other provision products, which gained as well and contributed 31.3 per cent to brokerage income (previous year: 28.0 per cent). The share of property, legal expenses and accident insurance increased slightly to 16.1 per cent (previous year: 15.8 per cent).

Germany
Brokerage income generated in the Germany segment went down 10.8 per cent to Euro 27.7 million (previous year: Euro 31.0 million). With 1,165 financial advisors, 3.8 per cent fewer advisors worked for OVB as of 30 June 2023 than one year before (previous year: 1,211 advisors). The number of actively supported clients came to 613,813 as of 30 June 2023, as opposed to 614,407 clients in the period of comparison.

Due to the changed interest rate environment, the share of the product group building society savings contracts/financing, particularly regarding the financing business, went down from 24.4 per cent in the previous year to 13.2 per cent. The share of unit-linked provision products climbed to 30.7 per cent (previous year: 24.3 per cent). Property, legal expenses and accident insurance policies increased their collective share to 14.4 per cent (previous year: 12.0 per cent). Other provision products contributed 13.0 per cent to the new business (previous year: 11.0 per cent). State-subsidized provision products accounted for 12.2 per cent (previous year: 10.9 per cent) and investment funds came to 8.6 per cent (previous year: 12.5 per cent).

Southern and Western Europe
Brokerage income of the Southern and Western Europe segment went down 8.5 per cent to Euro 47.7 million as compared to Euro 52.2 million in the first half-year 2022. This development is attributable particularly to the national markets Spain and Italy. The number of financial advisors was reduced from 1,107 by 4.2 per cent to 1,060. In the segment's seven countries, they supported altogether 757,584 clients, compared to 722,135 as of 30 June 2022.

An essential part of income, at 31.5 per cent in the first half-year 2023, came from the brokerage of unit-linked provision products (previous year: 37.4 per cent).

*Adding values may result in rounding differences

State-subsidized provision products contributed 25.8 per cent to sales (previous year: 27.0 per cent). The share of other provision products expanded significantly to 18.0 per cent (previous year: 9.1 per cent).

Profit/Loss

In the first half-year 2023, OVB Group generated brokerage income in the amount of Euro 170.6 million, equivalent to a 0.5 per cent increase compared to the income of Euro 169.7 million in the prior-year period. Other operating income went up 18.7 per cent from Euro 5.9 million to Euro 7.0 million. Material factors behind this positive development were primarily the higher income from the reversal of provisions, income from currency conversion, reimbursements by the sales force for training courses and expert workshops as well as income from the reversal of valuation allowances for receivables.

Brokerage expenses gained 1.6 per cent from Euro 111.7 million to Euro 113.5 million. A changed product mix is the principal reason for this increase. Due to the scheduled staff expansion and salary adjustments in line with the market, personnel expense for the Group's employees went up 9.4 per cent from Euro 22.6 million to Euro 24.7 million. Compared to the first half-year 2022, depreciation and amortization were down 2.7 per cent to Euro 4.1 million, especially due to lower amortization of intangible assets.

Contrary to that, other operating expenses went up from Euro 25.9 million to Euro 28.3 million, due primarily to inflation-based cost increases, a targeted increase in training courses and sales events as well as higher licensing and maintenance costs.

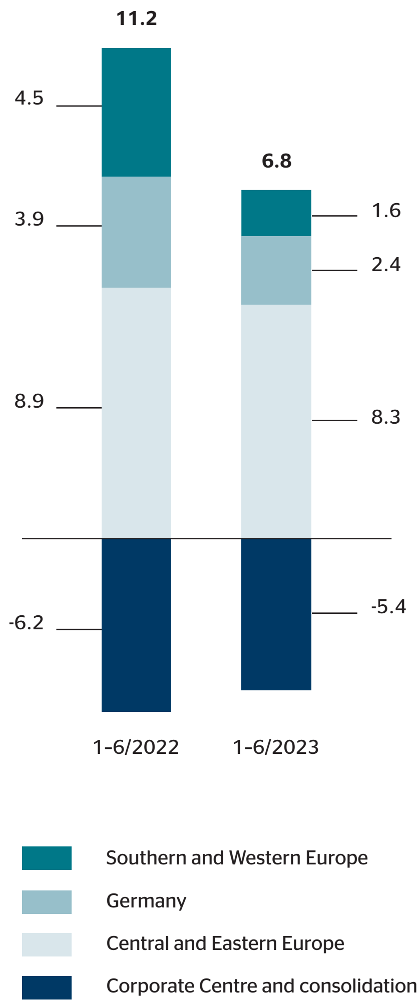
Accordingly, OVB Group generated an operating result (EBIT) of Euro 6.8 million in the first six months of 2023 as scheduled. Compared to the prior-year amount of Euro 11.2 million, this means a 38.8 per cent decrease. The EBIT of the Central and Eastern Europe segment went down 7.6 per cent from Euro 8.9 million to Euro 8.3 million. Material gains were made by the subsidiaries in Poland and Hungary. The EBIT of the Germany segment came to Euro 2.4 million after Euro 3.9 million in the previous year. In the Southern and Western Europe region, the operating result amounted to Euro 1.6 million as compared to the amount of Euro 4.5 million for the first six months of 2022. Contrary to that, the negative operating result of Corporate Centre including consolidation effects improved by 12.0 per cent in the reporting period from Euro -6.2 million to Euro -5.4 million. OVB Group's EBIT margin dropped from 6.6 per cent to 4.0 per cent in the first half-year 2023.

The financial result, showing a negative amount of Euro -1.6 million in the previous year, was improved considerably to Euro 1.2 million. Finance income gained Euro 0.9 million to Euro 1.4 million due to the significantly raised interest rate level while finance expenses were reduced by Euro 1.9 million to Euro -0.2 million.

The reason for high finance expenses in the prior-year period were declining fair values of securities and capital investments, attributable in turn to price losses incurred at the stock exchanges.

Taxes on income went down from Euro 3.2 million to Euro 2.5 million. Consolidated net income after non-controlling interests comes to Euro 5.3 million after Euro 6.2 million in the prior-year period, indicating a 14.8 per cent drop. Earnings per share accordingly went down from Euro 0.44 to Euro 0.37 – based on 14,251,314 no-par shares respectively.

Earnings before interest and taxes (EBIT) by segment
Euro million, figures rounded*



*Adding values may result in rounding differences

Financial position

Compared to the prior-year period, the cash flow from operating activities was reduced from Euro 10.1 million to Euro 4.1 million in the first half-year 2023. This development is attributable to the lower operating result in particular.

The cash inflow from investing activities amounted to Euro 3.5 million in the reporting period (previous year: Euro 12.0 million). Payments from the disposal of securities and other short-term capital investments of Euro 20.4 million in the first half-year 2023 were Euro 6.2 million above the prior-year amount of Euro 14.2 million. Contrary to that, payments for expenditure on securities and other short-term capital investments totaled Euro 14.4 million in the reporting period while practically no payments were made in the prior-year period, with corresponding expenditure of Euro 21 thousand.

Cash flow from financing activities resulted in cash outflow of Euro 14.3 million in the first six months (previous year: Euro 14.2 million). Dividends paid in the respective amount of Euro 12.8 million were the deciding factor in both years. Apart from the dividends, payments were made for the principal and interest components of the lease liability from financing activities.

The Company's cash and cash equivalents come to Euro 75.1 million as of the interim reporting date. Considering the amount of Euro 82.0 million reported as of 30 June 2022, this means an 8.4 per cent drop.

Assets and liabilities

As of 30 June 2023, total assets of OVB Holding AG amounted to Euro 258.8 million, compared to Euro 261.1 million as of 31 December 2022.

Non-current assets gained 4.7 per cent from Euro 35.6 million to Euro 37.3 million. Intangible assets were up Euro 1.1 million to Euro 15.1 million. Deferred tax assets gained Euro 0.5 million to Euro 6.1 million. Current assets were down Euro 4.0 million from Euro 225.5 million to Euro 221.5 million as of the reporting date. While receivables and other assets gained 14.6 per cent to Euro 62.6 million, the items securities and other capital investments went down from Euro 41.8 million to Euro 36.1 million, cash and cash equivalents shrank from Euro 80.6 million to Euro 75.1 million and trade receivables decreased from Euro 46.8 million to Euro 44.9 million.

The Company's equity was reduced by 7.5 per cent from Euro 93.5 million to Euro 86.5 million. The principal reason was the payment of the dividend for the 2022 financial year in June 2023, bringing retained earnings down from Euro 25.9 million to Euro 18.5 million. The equity ratio thus amounts to 33.4 per cent, after 35.8 per cent at year-end 2022.

Non-current liabilities remained virtually unchanged at Euro 11.2 million (31 December 2022: Euro 11.0 million). There are still no liabilities to banks.

At Euro 161.1 million, current liabilities were up slightly by 2.9 per cent. Other liabilities increased from Euro 61.9 million to Euro 66.3 million and other provisions grew from Euro 67.9 million to Euro 70.1 million. Contrary to that, trade payables lost Euro 2.6 million from Euro 24.6 million to Euro 22.0 million.

Personnel

OVB Group had 746 employees on average in the reporting period (previous year: 702 employees) in the holding company, the head offices of the operating subsidiaries and the service companies controlling and managing the Group.

The employees support the self-employed financial advisors working for OVB by providing the service-oriented transaction of all core processes and the required technical infrastructure, among other things, by holding training courses, developing and implementing sales promoting measures, performing administrative tasks, and consulting on compliance with regulatory requirements.

Supervisory Board

As of the close of the Annual General Meeting of OVB Holding AG on 14 June 2023, the terms of office of all members of the Supervisory Board duly ended. In the new elections to the Supervisory Board, the shareholders followed the Company's proposal: In addition to the reelection of Michael Johnigk, Dr. Thomas A. Lange and Julia Wiens, renowned industry insiders and leaders Sascha Bassir, Roman Juráš and Torsten Uhlig were appointed new members of the Supervisory Board.

The appointments are effective for one term of office extending to the close of the Annual General Meeting to resolve on the formal approval of the actions of the Supervisory Board for the financial year 2027.

Subsequent events

Business transactions or events of relevance to an appraisal of OVB Group's profit/loss, financial position and assets and liabilities have not occurred since 30 June 2023.

Opportunities and risks

OVB continues to operate in growth markets. Fundamental trends such as the demographic development in Europe require more private provision and risk protection. Personal advice is additionally gaining in relevance in an economic environment that also brings challenges to private households.

The current situation in Ukraine continues to represent a risk for OVB. The further development of this war cannot be anticipated in terms of duration and potential expansion.

The war directly affects clients, financial advisors, employees and partners of OVB, which has been doing business in Ukraine since 2007. The immediate effects on OVB Group's profit/loss, financial position as well as assets and liabilities are very limited.

Indirectly, however, the war also has an impact on the international economic development, the income and employment situation of private households and the financial markets, which in turn might have negative effects on OVB's business in Europe. Especially decreasing real income due to high inflation rates diminishes the financial resources of the people in Europe, with the consequence that fewer financial products are being demanded or paid for.

In addition, the tax framework and sociopolitical general conditions, developments on the capital market and a host of regulatory amendments influence OVB's business. At the same time, OVB regards such adjustments to its business framework also as an opportunity to further improve the quality of its services.

On 24 May 2023, the European Commission presented its draft strategy for retail investors. As has been discussed in the meantime, it no longer includes a ban on commissions. OVB maintains its close contact with industry associations and is analyzing the transparency requirements and regulations for the sale of financial products proposed in the draft.

OVB's risk management system and the implemented reporting contribute considerably to the transparency of the Group's overall risk position and its control. The risk management and internal control system is updated on an ongoing basis in order to enhance transparency of the risks taken and to further improve available risk control options.

Opportunities and risks have not changed substantially since the preparation of the 2022 consolidated financial statements. They are described in detail in the 2022 Annual Report, particularly in its chapter “Report on opportunities and risks”.

Outlook

One essential strength of OVB Group is its broad international positioning over currently 16 European countries. Market conditions remain altogether challenging. Despite the high demand for private risk protection and provision it cannot be ruled out that clients will act more cautiously with respect to long-term investment decisions, particularly against the backdrop of high inflation rates. OVB will keep pursuing the course for growth and thus aim for further expansion of the number of financial advisors and clients.

The long-term business potential in the market of private risk protection and retirement provision remains unchanged. In view of foreseeable additional changes in the business environment, the markets and the legal framework of the Company's business, OVB recently introduced its new medium-term growth strategy, “OVB Excellence 2027”, focusing on the sustained development of the sales organization and an expansion of the client base.

OVB generally expects to keep generating growth in 2023.

In order to allow for uncertainties still applying to the macroeconomic development, OVB sees a range for the Group's brokerage income in the 2023 financial year of between Euro 325 million and 350 million and expects an operating result between Euro 16 million and 19 million.

Cologne, 31 July 2023

Mario Freis	Frank Burow	Heinrich Fritzlar
CEO	CFO	COO

IFRS Interim consolidated financial statements

Consolidated statement of financial position

of OVB Holding AG as of 30 June 2023 according to IFRS

Assets

EUR'000	30/06/2023	31/12/2022
A. Non-current assets		
Intangible assets	15,146	14,019
Rights of use of leased assets	10,245	9,874
Tangible assets	5,398	5,702
Financial assets	446	489
Deferred tax assets	6,090	5,557
	37,325	**35,641**
B. Current assets		
Trade receivables	44,854	46,795
Receivables and other assets	62,621	54,653
Income tax assets	2,747	1,534
Securities and other capital investments	36,131	41,846
Cash and cash equivalents	75,101	80,644
	221,454	**225,472**
Total assets	**258,779**	**261,113**

Equity and liabilities

EUR'000	30/06/2023	31/12/2022
A. Equity		
Subscribed capital	14,251	14,251
Capital reserve	39,342	39,342
Treasury shares	0	0
Revenue reserves	13,573	13,708
Other reserves	110	-157
Non-controlling interests	736	513
Retained earnings	18,477	25,857
	86,489	**93,514**
B. Non-current liabilities		
Provisions	1,554	1,832
Other liabilities	8,627	8,245
Deferred tax liabilities	973	879
	11,154	**10,956**
C. Current liabilities		
Provisions for taxes	1,692	1,558
Other provisions	70,064	67,889
Income tax liabilities	1,065	658
Trade payables	22,002	24,618
Other liabilities	66,313	61,920
	161,136	**156,643**
Total equity and liabilities	**258,779**	**261,113**

IFRS Interim consolidated financial statements

Consolidated income statement

of OVB Holding AG for the period from 1 January to 30 June 2023 according to IFRS

EUR'000	01/04 – 30/06/2023	01/04 – 30/06/2022	01/01 – 30/06/2023	01/01 – 30/06/2022
Brokerage income	87,178	85,477	170,573	169,689
Other operating income	2,774	2,558	6,976	5,878
Total income	**89,952**	**88,035**	**177,549**	**175,567**
Brokerage expenses	-58,240	-56,070	-113,540	-111,720
Personnel expenses	-12,369	-11,182	-24,703	-22,575
Depreciation and amortization	-2,140	-2,170	-4,123	-4,236
Other operating expenses	-13,453	-13,451	-28,334	-25,852
Earnings before interest and taxes (EBIT)	**3,750**	**5,162**	**6,849**	**11,184**
Finance income	860	282	1,432	523
Finance expenses	-109	-1,144	-203	-2,142
Financial result	**751**	**-862**	**1,229**	**-1,619**
Consolidated income before income tax	**4,501**	**4,300**	**8,078**	**9,565**
Taxes on income	-1,413	-1,404	-2,544	-3,162
Consolidated net income	**3,088**	**2,896**	**5,534**	**6,403**
Thereof non-controlling interests	-120	-98	-223	-166
Consolidated net income after non-controlling interests	**2,968**	**2,798**	**5,311**	**6,237**
Basic/Diluted earnings per share in Euro	0.21	0.20	0.37	0.44

IFRS Interim consolidated financial statements

Consolidated statement of comprehensive income

of OVB Holding AG for the period from 1 January to 30 June 2023 according to IFRS

EUR'000	01/04 – 30/06/2023	01/04 – 30/06/2022	01/01 – 30/06/2023	01/01 – 30/06/2022
Consolidated net income	**3,088**	**2,896**	**5,534**	**6,403**
Change from revaluation of financial assets measured at fair value outside profit or loss	16	-78	54	-178
Change in currency translation reserve	93	-165	213	-163
Other comprehensive income to be reclassified to the income statement	**109**	**-243**	**267**	**-341**
Total comprehensive income before non-controlling interests	**3,197**	**2,653**	**5,801**	**6,062**
Total comprehensive income attributable to non-controlling interests	-120	-98	-223	-166
Total comprehensive income	**3,077**	**2,555**	**5,578**	**5,896**

IFRS Interim consolidated financial statements

Consolidated statement of cash flows

of OVB Holding AG for the period from 1 January to 30 June 2023 according to IFRS

EUR'000		01/01 – 30/06/2023	01/01 – 30/06/2022
Consolidated income before income tax		8,078	9,565
+/-	Depreciation, amortization and impairment/Appreciation in value and reversal of impairment loss of non-current assets	4,123	4,236
-	Financial result	-1,229	1,619
-/+	Unrealized currency gains/losses	-940	384
+/-	Allocation to/reversal of valuation allowances for receivables	-297	-39
+/-	Other non-cash financial items	79	-268
+/-	Increase/decrease in provisions	1,897	462
+/-	Result from the disposal of intangible and tangible assets	-4	-42
+/-	Decrease/increase in trade receivables and other assets	-5,730	-4,117
+/-	Increase/decrease in trade payables and other liabilities	1,778	2,389
-	Interest paid	0	-27
-	Income tax paid	-3,655	-4,087
= Cash flow from operating activities		**4,100**	**10,075**
+	Payments received from disposal of tangible assets and intangible assets	29	77
+	Payments received from disposal of financial assets	68	80
+	Payments received from disposal of securities and other short-term capital investments	20,388	14,231
-	Payments for expenditure on tangible assets	-625	-585
-	Payments for expenditure on intangible assets	-2,994	-2,231
-	Payments for expenditure on financial assets	-25	-30
-	Payments for expenditure on securities and other short-term capital investments	-14,448	-21
+	Other finance income	9	137
+	Interest received	1,134	386
= Cash flow from investing activities		**3,536**	**12,044**
-	Dividends paid	-12,826	-12,826
-	Payments on the principal of the lease liability from financing activities	-1,273	-1,217
-	Payments on the interest of the lease liability from financing activities	-164	-134
= Cash flow from financing activities		**-14,263**	**-14,177**
Overview:			
Cash flow from operating activities		4,100	10,075
Cash flow from investing activities		3,536	12,044
Cash flow from financing activities		-14,263	-14,177
= Net change in cash and cash equivalents		**-6,627**	**7,942**
Exchange rate changes in cash and cash equivalents		1,084	-550
+ Cash and cash equivalents at end of the prior year		80,644	74,594
= Cash and cash equivalents at the end of the period		**75,101**	**81,986**

IFRS Interim consolidated financial statements

Consolidated statement of changes in equity

of OVB Holding AG as of 30 June 2023 according to IFRS

EUR'000	Subscribed capital	Capital reserve	Statutory reserve	Other revenue reserves	Revaluation reserve	Reserve from provisions for pensions
31/12/2022	**14,251**	**39,342**	**2,576**	**11,132**	**-308**	**-82**
Consolidated profit						
Treasury shares						
Corporate actions						
Dividends paid						
Change in revaluation reserve					54	
Allocation to other reserves				-135		
Change in currency translation reserve						
Revaluation effect from provisions for pensions						
Consolidated net income						
30/06/2023	**14,251**	**39,342**	**2,576**	**10,997**	**-254**	**-82**

of OVB Holding AG as of 30 June 2022 according to IFRS

EUR'000	Subscribed capital	Capital reserve	Statutory reserve	Other revenue reserves	Revaluation reserve	Reserve from provisions for pensions
31/12/2021	**14,251**	**39,342**	**2,576**	**11,132**	**-2**	**-665**
Consolidated profit						
Treasury shares						
Corporate actions						
Dividends paid						
Change in revaluation reserve					-178	
Allocation to other reserves						
Change in currency translation reserve						
Revaluation effect from provisions for pensions						
Consolidated net income						
30/06/2022	**14,251**	**39,342**	**2,576**	**11,132**	**-180**	**-665**

Deferred tax on unrealized gains/losses	Currency translation reserve	Total income recognized directly in equity	Retained profits brought forward	Consolidated net income after non-controlling interests	Total comprehensive income	Equity of the shareholders of OVB Holding AG	Non-controlling interests	Total
56	**177**		**11,186**	**14,671**		**93,001**	**513**	**93,514**
			14,671	-14,671				
			-12,826			-12,826		-12,826
		54			54	54		54
			135					
	213	213			213	213		213
				5,311	5,311	5,311	223	5,534
56	**390**	**267**	**13,166**	**5,311**	**5,578**	**85,753**	**736**	**86,489**

Deferred tax on unrealized gains/losses	Currency translation reserve	Total income recognized directly in equity	Retained profits brought forward	Consolidated net income after non-controlling interests	Total comprehensive income	Equity of the shareholders of OVB Holding AG	Non-controlling interests	Total
173	**273**		**8,297**	**15,715**		**91,092**	**279**	**91,371**
			15,715	-15,715				
			-12,826			-12,826		-12,826
		-178			-178	-178		-178
	-163	-163			-163	-163		-163
				6,237	6,237	6,237	166	6,403
173	**110**	**-341**	**11,186**	**6,237**	**5,896**	**84,162**	**445**	**84,607**

IFRS Interim consolidated financial statements – Notes as of 30 June 2023

I. General information

1. General information on OVB Group

The condensed interim consolidated financial statements for the first half-year 2023 are released for publication pursuant to Executive Board resolution adopted today.

The parent company of OVB Group (hereinafter referred to as "OVB") is OVB Holding AG, Cologne, recorded in the Commercial Register at the Local Court (Amtsgericht) of Cologne, Reichenspergerplatz 1, 50670 Cologne, under registration number HRB 34649. OVB Holding AG has its registered office at Heumarkt 1, 50667 Cologne.

2. Accounting principles

Pursuant to IAS 34 "Interim Financial Reporting", the condensed interim consolidated financial statements for the first half-year 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adopted by the European Union and released by the International Accounting Standards Board (IASB), and they are intended to be read in conjunction with the consolidated financial statements for the year ended 31 December 2022.

For the preparation of the condensed interim consolidated financial statements, the same accounting policies, measurement and consolidation methods and the same standards have been adopted as were applied for the preparation of the consolidated financial statements for the year ended 31 December 2022 and released in the Annual Report unless otherwise indicated.

The condensed interim consolidated financial statements are prepared in euros. Unless stated otherwise, all figures are rounded up or down to the nearest thousand euros (EUR'000) in accordance with commercial rounding principles. As the figures are presented in thousand euro increments, rounding discrepancies may arise in the individual case when single values are added up. The selected items in the notes are presented without sign, with the exception of segment reporting, financial result and income tax.

In preparing the condensed interim consolidated financial statements pursuant to IAS 34, the Executive Board must make assessments and assumptions and apply estimates that have an effect on the application of accounting policies within the Group and on the disclosure of assets and liabilities as well as of income and expenses. Actual amounts may vary from respective estimates made.

Further information on discretionary decisions and estimate uncertainty can be found in chapter 4.4 "Discretionary decisions" in the notes to the consolidated financial statements as of 31 December 2022.

In the year under review 2023, the following new standards are subject to mandatory first-time adoption:

IAS 1 Presentation of Financial Statements & IFRS Practice Statement 2 (amendments)

The amendments to IAS 1 and IFRS Practice Statement 2 define the obligation to disclose material information on methods of accounting and measurement and specify the identification and presentation of such information. Amendments are effective as of 1 January 2023, application ahead of schedule was permitted. No material effects on the consolidated financial statements result from these amendments.

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (amendments)

Amendments to IAS 8 concern the definition of accounting estimates as monetary amounts in financial statements subject to measurement uncertainty. Changes in accounting estimates based on new information or new developments including their effects are not deemed corrections of errors made in previous reporting periods. Amendments are effective as of 1 January 2023, application ahead of schedule was permitted. No material effects on the consolidated financial statements result from these amendments.

IAS 12 Taxes on Income (amendments)

The IASB has released a clarification regarding deferred tax on transactions of e.g. leases and decommissioning obligations, principally introducing another exemption from the “initial recognition exemption”. From now on, deferred tax assets and liabilities have to be recognized for transactions whose initial recognition results in equal amounts of deductible and taxable temporary differences. Amendments are effective as of 1 January 2023, application ahead of schedule was permitted. No material effects on the consolidated financial statements result from these amendments.

IFRS 17 Insurance Contracts and Amendments

The introduction of new standard IFRS 17 governs the basic principles for recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 upon its entry into force. It aims for a better presentation of insurance contracts in terms of comparability in the statement of financial position, enabling the reader of financial statements to evaluate the effects on the reporting entity’s assets and liabilities, financial position and profit/loss as well as its cash flows. The new standard is effective as of 1 January 2023. It has no material effects on the consolidated financial statements.

For a better presentation of comparative information upon the simultaneous introduction of IFRS 9 and IFRS 17, amendments to the transitional provisions of IFRS 17 were released. The definition of a right to choose is intended to avoid misleading information due to the different provisions of the two standards with respect to the presentation of the period of comparison. This enables insurance companies to present comparative information on financial assets as if the provisions of IFRS 9 had been adopted before already. Amendments are effective as of 1 January 2023. No material effects on the consolidated financial statements result from these amendments.

The following standards have been released by the IASB and will be adopted in future reporting periods subject to pending EU endorsement:

IAS 12

In response to the guidance issued by the OECD on the Global Anti-Base Erosion (GloBE) rules for harmonizing the tax system, the IASB has released amendments to IAS 12. These relate, firstly, to an exemption from the rules in IAS 12 regarding the recognition and presentation of note disclosures of deferred tax assets and liabilities in connection with income taxes of the OECD’s so-called “second pillar” (global minimum tax of 15 per cent). Secondly, the amendments result in requirements regarding the separate presentation of actual tax expense (income) and second-pillar income taxes, requirements regarding disclosures in the notes for periods in which second-pillar legislation is (mainly) introduced, and requirements regarding presentation in accordance with IAS 8. Amendments are effective as of 1 January 2023. No material effects on the consolidated financial statements will result from these amendments.

IAS 1 Presentation of Financial Statements (amendments)

The standard will clarify the classification of liabilities as current or non-current liabilities in its future version. The amendment is effective as of 1 January 2024. No material effects on the consolidated financial statements will result from this amendment.

IAS 7 / IFRS 7

In order to provide clear guidance on qualitative and quantitative information in connection with supplier financing arrangements, the IASB has announced amendments to IAS 7 and IFRS 7. The amendments relate to the definition of characteristics of an arrangement for which disclosures are required in the notes and additional disclosures required in the notes in connection with supplier financing arrangements. Amendments are effective as of 1 January 2024. No material effects on the consolidated financial statements will result from these amendments.

IFRS 16 Leases (amendments)

The IASB has announced amendments to IFRS 16 for the clarification of the subsequent measurement of lease liabilities in sale and leaseback transactions. These provide for the seller-lessee to subsequently measure lease liabilities in a way that does not recognize any amount of the gain or loss that relates to the disposal of the right of use retained. The amendment is effective as of 1 January 2024, application ahead of schedule is permitted. No material effects on the consolidated financial statements will result from this amendment.

2.1 Financial instruments

Financial assets and liabilities are recognized in the consolidated statement of financial position as of the date when an entity of OVB Group becomes a contracting party with respect to the contractual provisions of the respective financial instrument. Recognition thus takes place as of the trading day.

Classification according to measurement categories is based on the identification of the business model under which contractual cash flows are collected as well as on an assessment of the terms of the cash flows by way of the SPPI test (Solely Payments of Principal and Interest). OVB Group's financial instruments can be classified as follows:

Amortized Cost (AC)

Financial instruments measured at amortized cost (business model: hold; cash flow conditions compliant) are generally recognized at fair value upon addition. Trade receivables are recognized at the amount determined in accordance with IFRS 15 upon addition. Insofar as future impairment is anticipated, it is considered for measurement unless immaterial. Subsequent to first-time recognition, such financial instruments are measured at amortized cost. That is the amount at which a financial asset was valuated upon first-time recognition less repayments, plus or less the cumulative amortization of any difference between the originally assigned value and the amount repayable upon final maturity based on the effective interest method, and less any valuation allowances for expected credit loss.

Fair Value through Profit or Loss (FVPL)

Financial instruments measured at fair value through profit or loss (business model: either not hold or cash flow conditions not compliant) are recognized at fair value upon addition. Gains or losses resulting from subsequent measurement are to be recognized through profit or loss in the income statement.

Fair Value through Other Comprehensive Income (FVOCI)

Debt instruments (business model: hold and sale; cash flow conditions compliant) and equity instruments (by designation) measured at fair value outside profit or loss are recognized at fair value upon addition. Gains or losses resulting from subsequent measurement are to be recognized in equity outside profit or loss. Upon the disposal of debt instruments, gains or losses included in revaluation reserve are to be recognized in the income statement. With respect to equity instruments there is no reclassification of the revaluation reserve through profit or loss but rather within equity outside profit or loss. Interest income, valuation allowances and exchange rate gains/losses of debt instruments are recognized in the income statement through profit or loss.

2.2 Impairment and reversal of impairment loss of financial assets

As of each reporting date, expected credit losses are considered for valuation allowances for financial assets/contract assets measured at amortized cost. Present values of classical default scenarios are multiplied by the corresponding probability of occurrence. The initial effective interest rate is applied for discounting.

Stage transfer
Upon first-time assessment of future credit loss, impairment equals expected credit losses within the next twelve months. If a significant increase in credit risk compared to the initial assessment materializes at a later reporting date, impairment equals expected credit losses over the entire remaining term of the asset.

Simplified approach
For trade receivables without a significant financing component, expected credit losses are determined collectively for a group of assets with the same credit risk characteristics and recognized as a risk provision item over the asset term pursuant to IFRS 9.5.5.15.

2.3 Recognition of sales

OVB generally recognizes sales at the time the agreed performances have been provided to the client (satisfaction of performance obligation). In case of uncertainty with respect to recognition in profit or loss, sales are recognized as soon as such uncertainty ceases to apply, i.e. no later than the date of OVB's actual cash inflow of commission. For the risk of any commission refunds to product partners as a result of cancelled contracts or in the event of non-payment, provisions are made on the basis of historical figures (provisions for cancellation risk). Changes in provisions for cancellation risk are charged or credited to sales. Considering potential refunds of commission already received in case of cancellation, sales represent variable consideration for the purpose of IFRS 15 due to the element of uncertainty in the amounts of revenue.

Sales from subsequent commission are recognized as contract asset under "Receivables and other assets". Subsequent commission is estimated on the basis of the most probable amount at which a significant cancellation of recorded sales is deemed highly improbable. Corresponding brokerage expenses to be handed on to financial advisors are included in provisions from subsequent commission.

OVB recognizes as sales new business commission, policy service commission and dynamic commission.

OVB is paid new business commission for the successful brokerage of an insurance policy. Settlement follows either a discounted, partially discounted or pro-rata approach. With respect to partially discounted and pro-rata new business commission received in the categories unit-linked provision products, other provision products, property, legal expenses and accident insurance, investment funds and health insurance, sales are recognized at an earlier point in time for the sales portion attributable to the successful brokerage of the contract yet settled only in later reporting periods; in doing that, assumptions are made with respect to the probable term in consideration of future contract cancellations.

OVB is paid policy service commission for the policyholder's continuous contract support. The performance is thus rendered over a certain period of time so that sales are to be recognized over that time period accordingly.

OVB is paid dynamic commission for premium raises over the contract term. Dynamic commission is recognized as of the point in time the policyholder's withdrawal period with respect to the premium raise expires.

OVB acts as principal and the financial advisors act as multiple agents/brokers.

3. Changes to the scope of consolidation

A business combination is the result of OVB assuming control over one or more entities by transaction or business event. For any case of business combinations, the acquisition method is to be applied. Acquisition cost of an acquired subsidiary is measured according to the fair value of the transferred consideration, i.e. the total of transferred assets, assumed liabilities, issued equity instruments and contingent consideration. Incidental transaction costs are generally recognized as expense. Recognizable assets and assumed liabilities as well as contingent liabilities are measured at fair value to the full amount regardless of the amount of OVB's investment. Applicable are the respective values as of the time control over the subsidiary was assumed. The measurement of any goodwill is determined by the positive difference between the acquisition's transaction cost less the fair value of the acquired net assets.

There were no changes to the scope of consolidation in the second quarter of 2023.

II. Significant events in the interim reporting period

The reporting period continued to be affected by the war in Ukraine and distortions in the energy markets. Increased political and macroeconomic risks coincided with higher inflation and the scarcity of energy sources. OVB faces the risk that clients may be more hesitant to enter new contracts and/or cannot fulfil their payment obligations on schedule anymore.

For these reasons, OVB has continued its precautionary measures taken as of 31 December 2022 and adjusted or rather reduced them in view of the slightly improved macroeconomic conditions.

There are therefore effects on individual items in the statement of financial position for OVB as of the reporting date, particularly the measurement of receivables from financial advisors, the measurement of the contract asset according to IFRS 15 and the assessment of the future cancellation behaviour of policyholders and connected to that the measurement of provisions for cancellation risk and the measurement of financial instruments. The development of macroeconomic conditions had the following effects on those items in the first half-year 2023.

Cancellation risk
Against the backdrop of the current macroeconomic development, OVB has reduced its additional precautionary measure, as a relative premium based on the severity of the described risks, in the first half-year 2023 compared to the previous year. Additional precautionary measures were thus reduced from EUR 3.5 million to EUR 2.2 million.

Contract asset
The contract asset less provisions from subsequent commission (IFRS 15) is reduced by the net amount of EUR 0.4 million as of 30 June 2023 by the additional precautionary measures (31 December 2022: EUR 0.6 million).

Receivables from financial advisors
The expected higher probabilities of default have an increasing effect on valuation allowances for receivables from financial advisors in the amount of EUR 0.2 million as of the reporting date (31 December 2022: EUR 0.3 million).

Further significant reportable events pursuant to IAS 34 (e.g. exceptional business transactions, launch of restructuring measures or discontinuation of operations) did not occur.

III. Notes to the statement of financial position and the statement of cash flows

1. Financial assets

EUR'000		30/06/2023	31/12/2022
Financial assets	AC	446	489

AC = Amortized Cost

Financial assets comprise loans granted to employees and self-employed financial advisors with terms of more than one year, issued at customary interest rates.

2. Receivables and other assets

EUR'000	30/06/2023	31/12/2022
Receivables	21,528	19,189
Other assets	8,122	5,077
Contract asset (IFRS 15)	32,971	30,387
	62,621	**54,653**

3. Securities and other capital investments

EUR'000		30/06/2023	31/12/2022
Securities	FVPL	16,879	16,691
Securities	FVOCI	2,495	8,402
Other capital investments	AC	16,757	16,753
		36,131	**41,846**

AC = Amortized Cost / FVPL = Fair Value through Profit or Loss / FVOCI = Fair Value through Other Comprehensive Income

4. Cash and cash equivalents

Cash and cash equivalents can be broken down for the consolidated statement of cash flows as follows:

EUR'000	30/06/2023	31/12/2022
Cash	11	15
Cash equivalents	75,090	80,629
	75,101	**80,644**

Cash includes the group companies' cash in hand in domestic and foreign currencies translated into euros as of the quarter closing date.

Cash equivalents are assets that can be converted into cash immediately. Cash equivalents include bank balances in domestic and foreign currencies with maturities of three months or less, checks and stamps. Measurement is based on amortized cost; foreign currencies are measured in euros as of the closing date.

5. Share capital

Unchanged from 31 December 2022, the subscribed capital (share capital) of OVB Holding AG amounts to EUR 14,251,314.00. It is divided into 14,251,314 no-par ordinary bearer shares.

6. Dividend

Distributable amounts relate to the retained earnings of OVB Holding AG as determined according to German commercial law.

The resolution on the appropriation of retained earnings of OVB Holding AG for financial year 2022 was adopted by the Annual General Meeting held on 14 June 2023.

The shareholders' dividend claim in the amount of EUR 12,826 thousand became due on 19 June 2023. The dividend equals EUR 0.90 per no-par share (previous year: EUR 0.90 per no-par share):

EUR'000	2022	2021
Distribution to shareholders	12,826	12,826
Profit carry-forward	7,896	5,810
Retained earnings	**20,722**	**18,637**

7. Treasury shares

OVB Holding AG did not hold any treasury shares as of the reporting date. In the period between the quarter closing date and the preparation of the interim consolidated financial statements, no transactions involving the Company's ordinary shares or options to its ordinary shares took place.

At the Annual General Meeting of OVB Holding AG held on 10 June 2020, shareholders authorized the Executive Board, with the Supervisory Board's approval, to acquire up to 300,000 of the Company's bearer shares in the period between 11 June 2020 and 9 June 2025, in one or several transactions. Shares acquired on the basis of this resolution may also be retired.

8. Other provisions

EUR'000	30/06/2023	31/12/2022
1. Cancellation risk	19,511	20,948
2. Unbilled liabilities	22,156	19,607
3. Litigation	1,853	1,850
4. Provisions from subsequent commission (IFRS 15)	22,029	20,154
	65,549	**62,559**
5. Miscellaneous		
- Obligations to employees	2,488	2,505
- Costs for financial statements / Audit cost	583	785
- Other obligations	1,444	2,040
	4,515	**5,330**
	70,064	**67,889**

1. Cancellation risk
Cancellation risk primarily includes provisions for expected commission refunds claimed by product partners.

2. Unbilled liabilities
Unbilled liabilities primarily include commission not yet billed by financial advisors.

3. Litigation
Provisions are made for litigation primarily due to legal disputes with clients and former financial advisors. It is uncertain when such legal disputes will end and what exact amount the corresponding outflow of economic benefits will come to.

4. Provisions from subsequent commission
Provisions from subsequent commission are made for commission not yet passed on to financial advisors.

5. Miscellaneous
Miscellaneous provisions encompass all provisions not to be categorized under any of the sub-items above.

9. Other non-current liabilities

EUR'000	30/06/2023	31/12/2022
Non-current lease liabilities	8,627	8,245

Non-current lease liabilities result from the application of IFRS 16.

10. Other current liabilities

EUR'000	30/06/2023	31/12/2022
1. Retained security	54,835	53,866
2. Other tax liabilities	1,741	1,724
3. Liabilities to employees	3,147	2,922
4. Liabilities to product partners	2,807	783
5. Current lease liabilities	2,005	2,006
6. Miscellaneous liabilities	1,778	617
	66,313	**61,920**

1. Retained securities
Retained securities include provisions for cancellation risk set aside on account of financial advisors. Amounts are retained in order to cover anticipated commission refund claims.

2. Other tax liabilities
Tax liabilities only include other actual tax liabilities that can be exactly determined or that have already been assessed.

3. Liabilities to employees
Payments due to employees in the short term for work performed such as holiday pay, bonuses or premiums as well as benefits paid to employees due to the termination of employment are recognized at expected settlement amounts.

4. Liabilities to product partners
Liabilities to product partners that are not affiliates generally result from the reversal of commission entries and are paid by OVB as they arise over the course of business. These liabilities are measured at nominal value.

5. Current lease liabilities
Current lease liabilities result from the application of IFRS 16.

6. Miscellaneous liabilities
Miscellaneous liabilities comprise all liabilities that are not attributable to any of the above sub-items. This item essentially includes liabilities from social security contributions and deferred income.

IV. Notes to the income statement

1. Brokerage income

EUR'000	01/01 - 30/06/2023	01/01 - 30/06/2022
1. New business commission	130,910	130,000
2. Policy service commission	27,696	27,168
3. Dynamic commission	3,749	3,128
4. Other brokerage income	8,218	9,393
	170,573	**169,689**

1. New business commission
New business commission results from the successful brokerage of various financial products.

2. Policy service commission
Policy service commission results from the policyholder's continuous contract support and is collected after rendering respective services.

3. Dynamic commission
Dynamic commission results from dynamic adjustments of contributions to insurance policies during the contract term.

4. Other brokerage income
Other brokerage income encompasses income from brokerage as a result of bonus payments and other sales related payments made by product partners as well as changes in cancellation risk provisions.

Brokerage income includes income from subsequent commission in the amount of EUR 2,329 thousand (previous year: EUR 2,729 thousand) as a result of earlier capitalization of partly discounted and pro-rata new business commission.

2. Other operating income

Other operating income essentially includes refunds paid by financial advisors for workshop participation, reversals of provisions, reimbursements of costs paid by sales force and partner companies, income from statute-barred liabilities and all other operating income not to be recorded as brokerage income.

EUR'000	01/01 - 30/06/2023	01/01 - 30/06/2022
Other operating income	6,976	5,878

3. Brokerage expenses

Brokerage expenses include all direct payments to financial advisors. Current commission encompasses all directly performance-based commission, i.e. new business commission, policy service commission and dynamic commission. Other commission includes all other commission linked to a specific purpose, e.g. other performance-based remuneration.

EUR'000	01/01 – 30/06/2023	01/01 – 30/06/2022
Current commission	102,825	100,739
Other commission	10,715	10,981
	113,540	**111,720**

4. Personnel expense

EUR'000	01/01 – 30/06/2023	01/01 – 30/06/2022
Wages and salaries	20,150	18,520
Social security	4,183	3,670
Pension plan expenses	370	385
	24,703	**22,575**

5. Depreciation and amortization

EUR'000	01/01 – 30/06/2023	01/01 – 30/06/2022
Amortization of intangible assets	1,901	2,186
Depreciation of rights of use	1,285	1,213
Depreciation of property, plant and equipment	937	837
	4,123	**4,236**

6. Other operating expenses

EUR'000	01/01 – 30/06/2023	01/01 – 30/06/2022
Sales and marketing expenses	11,299	9,396
Administrative expenses	13,632	13,133
Non-income-based tax	2,691	2,572
Miscellaneous operating expenses	712	751
	28,334	**25,852**

7. Financial result

EUR'000	01/01 - 30/06/2023	01/01 - 30/06/2022
Finance income		
Interest income and similar income	1,213	425
Income from securities	9	98
Reversal of impairment loss on capital investments	210	0
	1,432	**523**
Finance expense		
Interest expense and similar expenses	-164	-161
Expenses for capital investments	-39	-1,981
	-203	**-2,142**
Financial result	**1,229**	**-1,619**

8. Taxes on income

Actual and deferred tax are determined on the basis of the income tax rates applicable in the respective countries. Actual income taxes were recognized on the basis of the best estimate of the weighted average of the annual income tax rate expected for the full year. Deferred taxes were calculated on the basis of the expected applicable future tax rate.

The main components of income tax expense are the following items as reported in the consolidated income statement:

EUR'000	01/01 - 30/06/2023	01/01 - 30/06/2022
Actual income tax	2,785	3,175
Deferred income tax	-241	-13
	2,544	**3,162**

9. Earnings per share

The calculation of basic/diluted earnings per share is based on the following data:

EUR'000	01/01 - 30/06/2023	01/01 - 30/06/2022
Net income for the reporting period after non-controlling interests		
Basis for basic / diluted earnings per share (net income for the reporting period attributable to owners of the parent)	5,311	6,237
Number of shares		
Weighted average number of shares for the calculation of basic / diluted earnings per share	14,251,314	14,251,314
Basic / Diluted earnings per share in EUR	**0.37**	**0.44**

V. Notes on segment reporting

The principal business activity of OVB's operating subsidiaries consists of advising clients in managing and structuring their finances and brokering various financial products offered by insurance companies, banks, building societies and other enterprises in this context. It is not feasible to break down the services provided to clients by product type. Within the consolidated companies there are no identifiable and distinctive key sub-activities at group level. In particular, it is not possible to present assets and liabilities based on the brokered products. The individual companies therefore are each categorized as single-product companies. Consequently, segment reporting is based exclusively on geographic aspects as internal reporting to group management and corporate governance is also structured solely according to these criteria. In this regard, the operating subsidiaries represent operating segments for the purpose of IFRS 8, aggregated in three reportable segments. All entities not involved in brokerage service operations represent the “Corporate Centre” segment. For this categorization, the criteria for aggregation defined by IFRS 8.12 have been complied with. In compliance with IFRS, internal reporting to the Company’s management is a condensed presentation of the income statement, presented more elaborately in segment reporting. The companies’ earnings are monitored separately by the Company’s management in order to measure and assess profitability. Segment assets and segment liabilities are not disclosed in the presentation of segment reporting compliant with IFRS 8.23 as such disclosure is not part of internal reporting.

The "Central and Eastern Europe" segment includes: OVB Vermögensberatung A.P.K. Kft., Budapest; OVB Allfinanz, a.s., Prague; OVB Allfinanz Slovensko a.s., Bratislava; OVB Allfinanz Polska Społka Finansowa Sp. z o. o., Warsaw; OVB Allfinanz Romania Broker de Asigurare S.R.L., Cluj; OVB Imofinanz S.R.L., Cluj; OVB Allfinanz Croatia d.o.o., Zagreb; OVB Allfinanz Zastupanje d.o.o., Zagreb; TOB OVB Allfinanz Ukraine, Kiev, and, since the third quarter of 2022, OVB Allfinanz SI, zavarovalno zastopniška družba, d.o.o., Ljubljana. Material contributions to the brokerage income of the Central and Eastern Europe segment were generated by OVB Allfinanz, a.s., Prague, at EUR 27,284 thousand (previous year: EUR 24,042 thousand) and OVB Allfinanz Slovensko a.s., Bratislava, at EUR 25,299 thousand (previous year: EUR 25,093 thousand).

The “Germany” segment comprises OVB Vermögensberatung AG, Cologne; Advesto GmbH, Cologne, and Eurenta Holding GmbH, Cologne. In this segment, brokerage income is primarily generated by OVB Vermögensberatung AG, Cologne.

The "Southern and Western Europe" segment includes the following companies: OVB Allfinanzvermittlungs GmbH, Wals near Salzburg; OVB Vermögensberatung (Schweiz) AG, Hünenberg; OVB-Consulenza Patrimoniale SRL, Verona; OVB Allfinanz España S.A., Madrid; OVB (Hellas) Allfinanz Vermittlungs GmbH & Co. KG, Bankprodukte, Athens; OVB Hellas Allfinanz Vermittlungs GmbH, Athens; OVB Conseils en patrimoine France Sàrl., Strasbourg; Eurenta Hellas Monoprosopi EPE Asfalistiki Praktores, Athens; Willemot Bijzonder Verzekeringsbestuur NV, Gent; and Verzekeringskantoor Louis Vanheule BVBA, Dendermonde. A material contribution to the brokerage income of the Southern and Western Europe segment was generated by OVB Allfinanz España S.A., Madrid, at EUR 15,637 thousand (previous year: EUR 18,207 thousand).

The "Corporate Centre" segment includes OVB Holding AG, Cologne; Nord-Soft EDV-Unternehmensberatung GmbH, Horst; Nord-Soft Datenservice GmbH, Horst; and OVB Informatikai Kft., Budapest. The entities of the Corporate Centre segment are not involved in the brokerage of financial products but primarily concerned with providing services to OVB Group. The range of services particularly comprises management and consulting services, software and IT services as well as marketing services.

The individual segments are presented in segment reporting before the elimination of inter-segment interim results and consolidation of expense and income. Intra-group dividend distributions are not taken into account. Reconciliations of segment values to corresponding consolidated data are made directly in the consolidation column in segment reporting. Recognition, disclosure and measurement of the consolidated values in segment reporting correspond to the values presented in the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity. For intra-group allocations, an appropriate additional overhead charge is levied on the individual cost items incurred.

IFRS Interim consolidated financial statements

Segment reporting

of OVB Holding AG for the period from 1 January to 30 June 2023 according to IFRS

EUR'000	Central and Eastern Europe	Germany	Southern and Western Europe	Corporate Centre	Consoli-dation	Consoli-dated
Segment income						
Income from business with third parties						
- Brokerage income	95,130	27,706	47,737	0	0	170,573
- New business commission	81,569	16,034	33,307	0	0	130,910
- Policy service commission	7,894	9,420	10,382	0	0	27,696
- Dynamic commission	899	1,636	1,214	0	0	3,749
- Other brokerage income	4,768	616	2,834	0	0	8,218
Other operating income	1,422	1,985	1,748	2,200	-379	6,976
Income from inter-segment transactions	0	478	0	9,012	-9,490	0
Total segment income	**96,552**	**30,169**	**49,485**	**11,212**	**-9,869**	**177,549**
Segment expenses						
Brokerage expense						
- Current commission	-59,402	-16,438	-26,985	0	0	-102,825
- Other commission	-5,862	-1,380	-3,473	0	0	-10,715
Personnel expenses	-6,866	-3,869	-6,940	-7,028	0	-24,703
Depreciation/amortization	-1,088	-480	-1,052	-1,503	0	-4,123
Other operating expenses	-15,070	-5,617	-9,413	-7,967	9,733	-28,334
Total segment expenses	**-88,288**	**-27,784**	**-47,863**	**-16,498**	**9,733**	**-170,700**
Earnings before interest and taxes (EBIT)	**8,264**	**2,385**	**1,622**	**-5,286**	**-136**	**6,849**
Interest income	858	162	31	165	-3	1,213
Interest expenses	-76	-60	-30	-1	3	-164
Other financial result	0	151	23	6	0	180
Earnings before taxes (EBT)	**9,046**	**2,638**	**1,646**	**-5,116**	**-136**	**8,078**
Taxes on income	-1,608	-12	-754	-170	0	-2,544
Non-controlling interests	0	0	0	-223	0	-223
Segment result	**7,438**	**2,626**	**892**	**-5,509**	**-136**	**5,311**
Additional disclosures						
Capital expenditures for intangible and tangible assets	1,150	63	1,061	1,345	0	3,619
Material non-cash expenses (-) and income (+)	821	429	418	0	0	1,668
Impairment/fair value expenses in accordance with IFRS 9	-596	-264	-370	-104	0	-1,334
Impairment reversal/fair value write-up in accordance with IFRS 9	217	890	217	18	0	1,342

IFRS Interim consolidated financial statements

Segment reporting

of OVB Holding AG for the period from 1 January to 30 June 2022 according to IFRS

EUR'000	Central and Eastern Europe	Germany	Southern and Western Europe	Corporate Centre	Consoli-dation	Consoli-dated
Segment income						
Income from business with third parties						
- Brokerage income	86,478	31,044	52,167	0	0	169,689
- New business commission	74,263	18,475	37,262	0	0	130,000
- Policy service commission	7,388	10,208	9,572	0	0	27,168
- Dynamic commission	570	1,466	1,092	0	0	3,128
- Other brokerage income	4,257	895	4,241	0	0	9,393
Other operating income	1,338	2,187	1,370	1,283	-300	5,878
Income from inter-segment transactions	0	480	17	8,721	-9,218	0
Total segment income	**87,816**	**33,711**	**53,554**	**10,004**	**-9,518**	**175,567**
Segment expenses						
Brokerage expense						
- Current commission	-53,893	-18,194	-28,652	0	0	-100,739
- Other commission	-5,243	-1,957	-3,781	0	0	-10,981
Personnel expenses	-5,747	-3,725	-6,500	-6,603	0	-22,575
Depreciation/amortization	-957	-501	-980	-1,798	0	-4,236
Other operating expenses	-13,032	-5,473	-9,098	-7,639	9,390	-25,852
Total segment expenses	**-78,872**	**-29,850**	**-49,011**	**-16,040**	**9,390**	**-164,383**
Earnings before interest and taxes (EBIT)	**8,944**	**3,861**	**4,543**	**-6,036**	**-128**	**11,184**
Interest income	335	57	23	12	-2	425
Interest expenses	-47	-69	-46	-1	2	-161
Other financial result	0	-675	-190	-1,018	0	-1,883
Earnings before taxes (EBT)	**9,232**	**3,174**	**4,330**	**-7,043**	**-128**	**9,565**
Taxes on income	-1,693	-9	-1,335	-125	0	-3,162
Non-controlling interests	0	0	0	-166	0	-166
Segment result	**7,539**	**3,165**	**2,995**	**-7,334**	**-128**	**6,237**
Additional disclosures						
Capital expenditures for intangible and tangible assets	864	28	333	1,591	0	2,816
Material non-cash expenses (-) and income (+)	1,142	629	462	120	0	2,353
Impairment/fair value expenses in accordance with IFRS 9	-351	-952	-717	-1,421	0	-3,441
Impairment reversal/fair value write-up in accordance with IFRS 9	202	696	93	0	0	991

VI. Other disclosures relating to the interim consolidated financial statements

1. Leases

Rights of use of leased objects amount to EUR 10,245 thousand as of 30 June 2023 (31 December 2022: EUR 9,874 thousand). Corresponding lease liabilities altogether amount to EUR 10,632 thousand (31 December 2022: EUR 10,251 thousand) and are classified in the statement of financial position depending on maturity as either non-current (EUR 8,627 thousand / 31 December 2022: EUR 8,245 thousand) or current liabilities (EUR 2,005 thousand / 31 December 2022: EUR 2,006 thousand), entered under the item "Other liabilities" respectively.

Lease agreements OVB has entered into essentially involve real property, vehicles and office equipment.

The development of rights of use divided into categories of underlying assets is as follows:

EUR'000	01/01/2023	Additions	Disposals	Depreciation	Exchange rate differences	30/06/2023
Software	0	34	0	-8	0	26
Land and buildings	9.036	1.279	-21	-1.033	31	9.479
Machinery, equipment, furniture, vehicles, others	787	320	0	-232	0	875
IT equipment	51	13	0	-12	0	52
	9.874	**1.646**	**-21**	**-1.285**	**31**	**10.245**

EUR'000	01/01/2022	Additions	Disposals	Depreciation	Exchange rate differences	31/12/2022
Software	0	0	0	0	0	0
Land and buildings	10.144	843	-7	-1.989	45	9.036
Machinery, equipment, furniture, vehicles, others	748	478	-40	-398	-1	787
IT equipment	69	1	0	-20	1	51
	10.961	**1.322**	**-47**	**-2.407**	**45**	**9.874**

The development of the corresponding lease liability total is as follows:

EUR'000		2023	2022
Lease liabilities as of 1 January		10,251	11,375
Cash outflow repayment component (cash flow from financing activities)		-1,273	-639
Addition		1,647	240
Disposal		-22	-10
Interest expense		155	69
Cash outflow interest component (cash flow from financing activities)		-155	-69
Exchange rate differences		29	26
Lease liabilities as of 30 June		**10,632**	**10,992**

Interest expense from accrued interest on lease liabilities amounts to EUR 155 thousand (previous year: EUR 134 thousand), reported under "Other finance expense".

Expenses for short-term leases with terms of less than twelve months amount to EUR 58 thousand (previous year: EUR 8 thousand), reported under “Other operating expenses”.

Expenses for low value leases amount to EUR 19 thousand (previous year: EUR 12 thousand), reported under “Other operating expenses”.

Terms to maturity of not discounted lease liabilities as of 30 June 2023 are as follows:

EUR‘000	Less than 3 months	3-6 months	6-12 months	1-3 years	3-5 years	More than 5 years	Total
	600	582	1,156	3,954	3,170	2,330	11,792

Terms to maturity of not discounted lease liabilities as of 31 December 2022 are as follows:

EUR‘000	Less than 3 months	3-6 months	6-12 months	1-3 years	3-5 years	More than 5 years	Total
	621	605	998	3,384	2,612	2,891	11,111

Income in the amount of EUR 29 thousand was generated from sub-leases (previous year: EUR 60 thousand).

Terms to maturity of expected lease payments from sub-leases are as follows:

EUR‘000	1 year	2 years	3 years	4 years	5 years	More than 5 years	Total
	11	0	0	0	0	0	11

As of 30 June 2023, there are no renewal options whose probable exercise would result in cash outflow for the next reporting periods.

2. Contingent liabilities

OVB Holding AG and some of its subsidiaries have given guarantees and assumed liabilities on behalf of financial advisors in the ordinary course of business. The associated risks are recognized in “Other provisions” to the extent they give rise to obligations whose values can be reliably estimated. There have been no material changes in comparison with 31 December 2022.

Some group companies are currently involved in various legal disputes arising from the ordinary course of business, primarily in connection with the settlement of accounts for brokerage services provided by financial advisors.

Management holds the view that adequate provisions have been made for contingent liabilities arising from such guarantees, the assumption of liabilities and legal disputes and that such contingencies will have no material effect on the Group’s financial position, assets and liabilities and profit/loss beyond that.

OVB’s brokerage business carries the inherent risk that working together with self-employed financial advisors might be interpreted by tax authorities or social security agencies as an employment relationship, resulting in OVB’s obligation to pay taxes and make social security contributions. OVB has a constant focus on this risk but cannot rule out completely that subsequent claims against OVB might arise due to possible changes to national legal frameworks. Without OVB being engaged in any notable litigation at present in this regard, retrospective payments of taxes and social security contributions of up to EUR 6.8 million might result for one of the operating subsidiaries from today’s viewpoint. Based on legal expert opinions at hand, Management deems corresponding liabilities for OVB not likely.

3. Employees

OVB Group had a commercial staff of altogether 746 employees on average in the first half-year 2023 (31 December 2022: 708), 70 thereof in executive positions (31 December 2022: 64).

4. Related party disclosures

OVB has concluded agreements covering the brokerage of financial products with related parties belonging to SIGNAL IDUNA Group, Baloise Group and Generali Group.

Principal shareholders as of 30 June 2023 are entities of

- SIGNAL IDUNA Group,
- Baloise Group and
- Generali Group.

SIGNAL IDUNA Group is a horizontally organized group of companies ("Gleichordnungsvertragskonzern"). The group's parent companies are:

- SIGNAL IDUNA Krankenversicherung a. G., Dortmund
- SIGNAL IDUNA Lebensversicherung a. G., Hamburg
- SIGNAL IDUNA Unfallversicherung a. G., Dortmund

As of 30 June 2023, SIGNAL IDUNA Lebensversicherung a. G., Hamburg, held shares in OVB Holding AG carrying 31.67 per cent of the voting rights. As of 30 June 2023, SIGNAL IDUNA Krankenversicherung a. G., Dortmund, held shares in OVB Holding AG carrying 21.27 per cent of the voting rights. Based on agreements concluded with entities of SIGNAL IDUNA Group, in the first six months of 2023 sales in the amount of EUR 16,548 thousand (previous year: EUR 15,442 thousand) were generated. Receivables exist in the amount of EUR 4,021 thousand (31 December 2022: EUR 3,482 thousand).

The item "Securities and other capital investments" includes securities issued by SIGNAL IDUNA Group in the amount of EUR 1,331 thousand (31 December 2022: EUR 1,338 thousand).

As of 30 June 2023, Baloise Beteiligungsholding GmbH, Hamburg, held shares in OVB Holding AG carrying 32.57 per cent of the voting rights. This entity belongs to Baloise Group, whose parent company is Bâloise Holding AG, Basel. Based on agreements concluded with Baloise Group, in the first six months of 2023 sales in the amount of EUR 9,386 thousand (previous year: EUR 10,918 thousand) were generated, primarily in the Germany segment. Receivables exist in the amount of EUR 3,721 thousand (31 December 2022: EUR 2,546 thousand).

The item "Securities and other investments" includes securities issued by Bâloise Holding AG in the amount of EUR 731 thousand (31 December 2022: EUR 716 thousand).

As of 30 June 2023, Generali CEE Holding B.V., Amsterdam, The Netherlands, held shares in OVB Holding AG carrying 11.48 per cent of the voting rights. This entity is part of Generali Group, whose parent is Assicurazioni Generali S.p.A., Trieste, Italy. Based on agreements concluded with Generali Group, in the first six months of 2023 sales in the amount of EUR 13,919 thousand (previous year: EUR 9,882 thousand) were generated. Receivables exist in the amount of EUR 6,395 thousand (31 December 2022: EUR 6,431 thousand) and liabilities come to EUR 145 thousand (31 December 2022: EUR 3 thousand).

The terms and conditions of brokerage contracts concluded with related parties are comparable to the terms and conditions of contracts OVB has concluded with providers of financial products not regarded as related parties.

Items outstanding as of 30 June 2023 are not secured, do not bear interest and are settled by payment. There are no guarantees relating to receivables from or liabilities to related parties.

5. Subsequent events

Significant reportable events have not occurred since 30 June 2023, the closing date of these interim consolidated financial statements.

6. Executive Board and Supervisory Board

Members of the Executive Board of OVB Holding AG:
- Mario Freis, CEO
- Frank Burow, CFO
- Heinrich Fritzlar, COO

Members of the Supervisory Board of OVB Holding AG:
- Michael Johnigk (Chairman of the Supervisory Board); Business Graduate, ret., former Member of the Executive Boards of SIGNAL IDUNA Group, Dortmund/Hamburg
- Dr. Thomas A. Lange (Deputy Chairman of the Supervisory Board and Chairman of the Audit Committee); Chairman of the Executive Board of NATIONAL-BANK AG, Essen
- Julia Wiens (Chairwoman of the Nomination and Remuneration Committee); Member of the Executive Boards of Baloise Lebensversicherungs-AG, Hamburg; Baloise Sachversicherungs-AG, Bad Homburg; Baloise Sach Holding AG, Hamburg; and Managing Director of Basler Saturn Management B.V., Amsterdam, The Netherlands
- Sascha Bassir; Member of the Executive Board of Baloise Vertriebsservice AG, Hamburg; Vice Chairman of Deutscher Ring Unterstützungskasse e. V., Rosenheim; and Managing Board Member of Gilde Unterstützungskasse e. V., Rosenheim (Member of the Supervisory Board since 14 June 2023)
- Roman Juráš; CEO of Generali Česká pojišťovna, a.s., Prague, Czechia; Country Manager for the business operations of Generali in Czechia and Slovakia (Member of the Supervisory Board since 14 June 2023)
- Torsten Uhlig; Member of the Executive Boards of SIGNAL IDUNA Krankenversicherung a. G., Dortmund; SIGNAL IDUNA Lebensversicherung a. G., Hamburg; SIGNAL IDUNA Unfallversicherung a. G., Dortmund; SIGNAL IDUNA Allgemeine Versicherung Aktiengesellschaft, Dortmund; and SIGNAL IDUNA Holding Aktiengesellschaft, Dortmund (Member of the Supervisory Board since 14 June 2023)
- Markus Jost; Independent Certified Expert for Accounting and Management Accounting, former Member of the Executive Boards of Basler Versicherungen, Bad Homburg/Hamburg (Member of the Supervisory Board until 14 June 2023)
- Wilfried Kempchen; Businessman, ret., former Chairman of the Executive Board of OVB Holding AG, Düren (Member of the Supervisory Board until 14 June 2023)
- Mag. Harald Steirer; Management Consultant (under exclusive contract with the branch office of Generali CEE Holding B.V., Prague), former Chief Operating Officer of Generali CEE Holding B.V., Prague (Member of the Supervisory Board until 14 June 2023)

Responsibility statement

We confirm that to the best of our knowledge, and in accordance with the accounting principles applicable to interim financial reporting, the consolidated interim financial statements give a true and fair view of the assets and liabilities, financial position and profit/loss of the Group, and the consolidated interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Cologne, 31 Juli 2023

Mario Freis	Frank Burow	Heinrich Fritzlar
CEO	CFO	COO

Review report

To OVB Holding AG, Cologne

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and selected explanatory notes – and the interim group management report of OVB Holding AG, Cologne, for the period from 1 January to 30 June 2023. The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, 31 July 2023
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Christian Sack
Wirtschaftsprüfer
(German Public Auditor)

ppa. Ansgar Zientek
Wirtschaftsprüfer
(German Public Auditor)

Financial Calendar

11 August 2023
Results for the second quarter of 2023, Conference Call

8 November 2023
Results for the third quarter of 2023, Conference Call

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