



Greece 2H25e: “It’s getting hot in here”

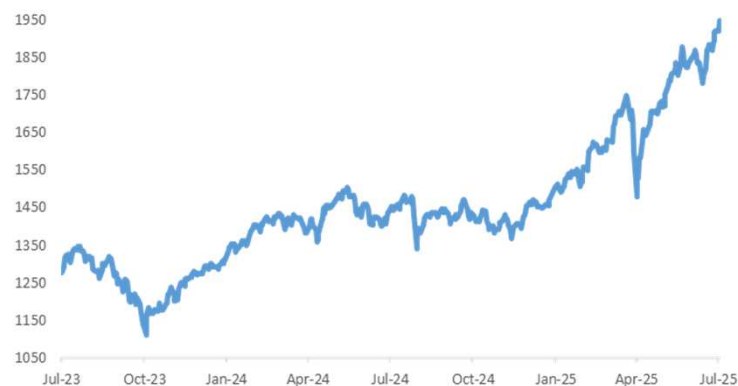
Macro & Equity Market Strategy Update
July 10, 2025

Investment Thesis Update & Outlook for the remainder of 2025

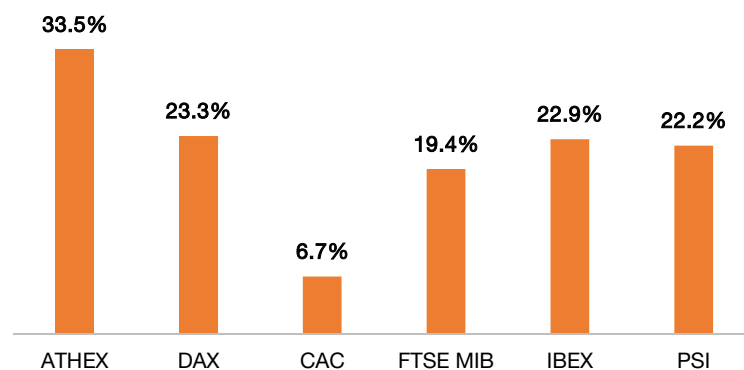
2025 so far in a snap:

- i) GDP growth remains solid, with real GDP expanding by 2.2% in 1Q25, well outperforming the EU average (average EU GDP growth at 0.6% according to Eurostat preliminary data)
- ii) Debt/GDP ratio continues to drop at a fast pace; EC expects downward trajectory to drive the relative ratio further down by 7% this year
- iii) Athens Stock Exchange gains +33% y-t-d setting new 15-year high, reflecting the positive macro backdrop, the strong corporate profitability, significant corporate actions (Unicredit-Alpha Bank, Metlen London Listing, EURONEXT-ATHEX, Intralot-Bally's, Alter Ego, Qualco and other IPOs), outperforming significantly its European peers (DAX up by c23% y-t-d, EUROPE 50 c10% y-t-d).
- iv) interestingly, ATHEX remains attractive in relative terms: median P/E25e has climbed to 10.0x (from 7.8x in our latest Update last January), remains however at a 35% discount compared to selected European Markets
- v) Country risk premium (in 10-year Government Bond Yield Spread terms) continues to narrow, GGB trades almost at par with French sovereigns

ATHEX Performance



ATHEX vs. EU Peers Ytd



Source: Optima bank research

Investment Thesis Update & Outlook for the remainder of 2025

ATHEX is up by c33% y-t-d and 36% y-o-y, outperforming both the European and US markets.

In our view, this outperformance which is likely to continue, is mainly attributable to:

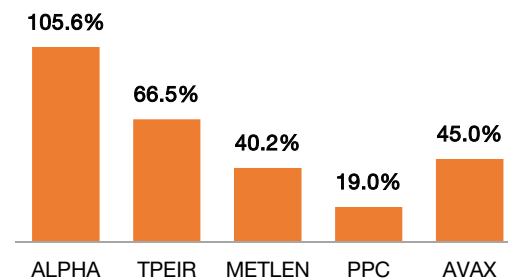
- Superior Domestic Macro Environment: GDP growth is set to outpace EU average for a 5th year in a row, coupled with fiscal discipline
- Healthy corporate profitability: our universe sees EPS growth of 7.1% for 2025e and 12.1% for 2026e
- Greek Stock market has heated up, driven by inflows from foreign investors:
 - Total trading activity in June in ATHEX up by 76.8% y-o-y,
 - foreign investors account for 61.9% of total trading activity
 - foreign investors had net inflows of EUR 3.1m during June 2025 and also inflows of EUR 454.6m during 1H25.
- Limited exposure to the trade tensions: The IMF and the Bank of Greece assess that the direct exposure of the Greek economy to the US tariffs is limited
- European markets at multi year or historic highs: most EU stock markets are in proximity with historic highs

That said, and taking into account that a) the corporate actions are expected to continue, b) the Greek stock market is still attractive in relative terms, c) the geopolitical risks and the EUR-US Trade tensions have to some extent retreated, d) the positive macro backdrop compared both in Growth and fiscal terms, we maintain our bullish stance on Greek stocks; main downside risks in our view a) major correction in the international equity markets and the reignition of a geopolitical conflict in our region.

Thus, we maintain our positive stance for the Greek stock market, while our top picks for the remainder of the year are:

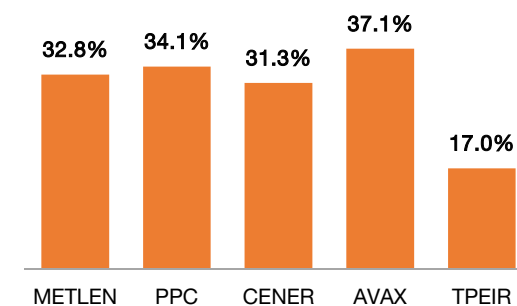
- Piraeus Financial Holdings (confirmed)
- METLEN (confirmed)
- PPC (confirmed)
- CENERGY (addition)
- AVAX (confirmed)

Optima Top picks performance Ytd (%)



source: Optima research

Optima Top picks Upside to Target Price (%)



Source: Optima research

Upside Catalysts

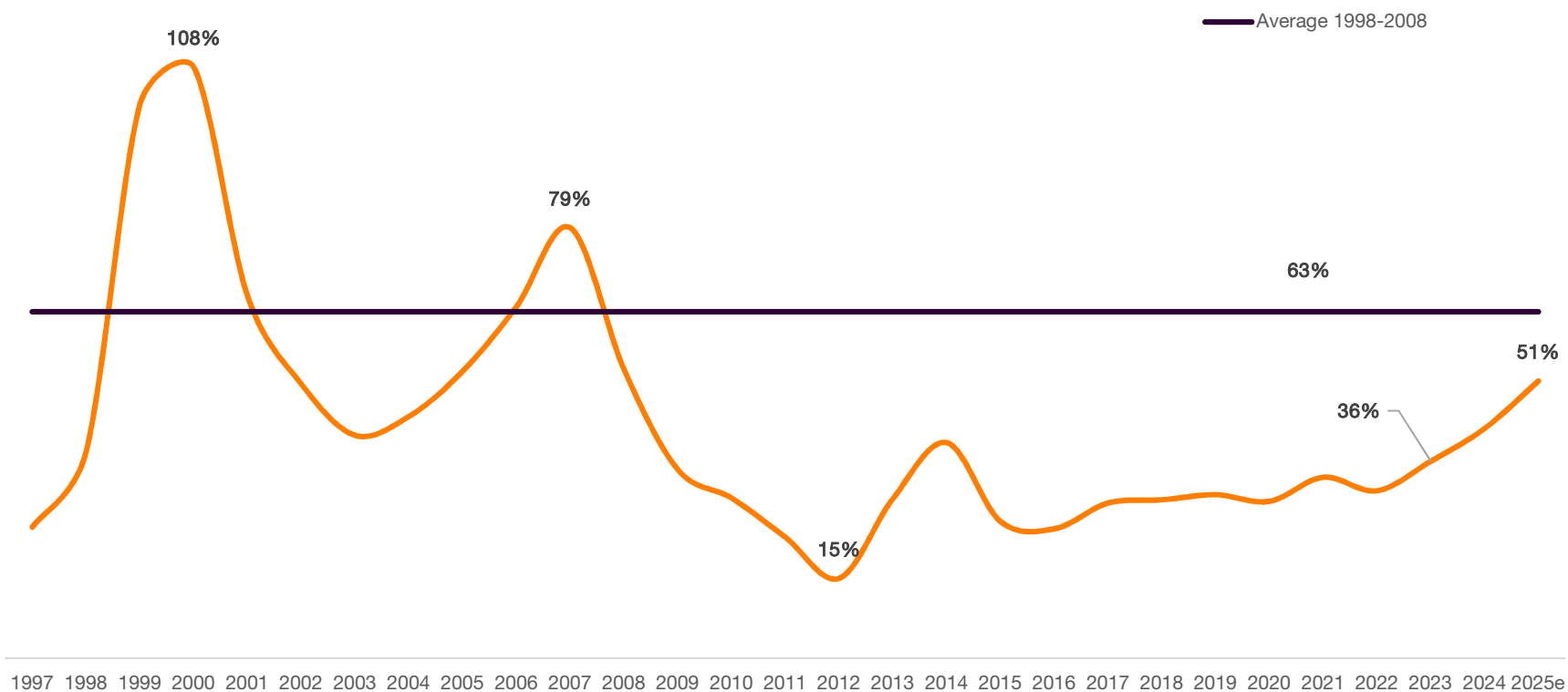
- 1) Despite the startling y-t-d performance, ATHEX still trades at material discounts compared to EU peers; especially in P/E25e terms, the relative discount has only narrowed by 2pps since January, now at 35% from 40% back in January. Additionally, ATHEX also trades at c30% discount compared to its 20-year mid-cycle P/E of 13.2x
- 2) The macroeconomic backdrop remains supportive, with solid growth and prudent fiscal policy
- 3) Monetary tightening is finally over, ECB has already proceeded with 200bps interest rate cuts
- 4) We expect the Greek economy to outpace the European for a fifth consecutive year.
- 5) The economic model is changing with a shift towards investments, with the support of RRF and National Development Program investments
- 6) The banking system is eventually in its best shape in over ten years. Unicredit announced its intention to extend its participation in Alpha Bank, a move which might attract other foreign banks as strategic investors in Greek banks
- 7) The potential acquisition of ATHEX by EURONEXT will provide access to the Greek Listed Companies to a larger pool of investors and consequently could further rerate the Greek Stocks

Headwinds/Risks

- 1) A major correction in the international equity markets, especially the European Peers (DAX already trades well above mid cycle levels in P/E terms)
- 2) Economic slow down in the European Union-potential imposition of Tariffs on European exports could hamper EU growth by 0.5% (at the time of this writing, no deal between the EU and the US has been reached)
- 3) Geopolitical concerns: albeit at a temporary retreat, geopolitical risk is always a significant wild card
- 4) Potential slow-down of the Greek Economy after the expiration of the RRF: Recall that the RRF officially expires in December 2026 (assuming it will not be extended)
- 5) Further strengthening of the EURO could decelerate tourist flows from third countries and also could negatively affect profitability of companies with USD-denominated sales (Refineries, Titan America)

ATHEX is attractive across all metrics...

Market Cap/GDP25e at just 51%,
well below the 1998-2008 average of 63%



Source: Optima Research, ELSTAT

...and trades at material discount offering considerably higher dividend yield relative to EU peers

Despite the rally since the beginning of the year, the market capitalisation of Athens Stock Exchange is standing at just 51% of GDP25e, well below the “golden era” (1998-2008) average of 63%.

On top of that, ATHEX is trading at material discount relative to its EU peers. In more detail, our universe is trading:

- at 10.0x P/E25e, still at 35% discount relative to EU peers despite the recent rally (in January it traded at a 40% discount).
- Note that ATHEX also trades at c30% its 20-year mid cycle of 13.2x
- 6.8x EV/EBITDA25e, at 26% discount relative to EU peers (up from -34% at the beginning of the year)
- Dividend yield of 4.7% in 2025e, still higher than EU peers.

	P/E (x)		EV/EBITDA (x)		Div. yield (%)	
	2025e	2026e	2025e	2026e	2025e	2026e
DAX	16.6x	14.6x	10.1x	9.1x	2.6%	2.9%
CAC	16.6x	14.7x	10.1x	9.4x	3.0%	3.3%
IBEX	12.8x	12.1x	8.4x	8.0x	4.2%	4.5%
PSI 20	14.5x	13.2x	7.2x	6.7x	4.0%	4.3%
Median	15.5x	13.9x	9.2x	8.6x	3.5%	3.8%
ATHEX	10.0x	9.4x	6.8x	6.3x	4.7%	5.2%
Discount	-35%	-32%	-26%	-27%	-	-

source: Factset 09/07/25

Optima Universe 2025-26e

	Current Price	Taregt Price	Upside (%)	P/E (x)		EV/EBITDA (x)		Div. yield (%)		EPS		EPS growth (%)	
				2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Hellenic Energy	7.80	8.30	6.4%	7.2x	6.6x	5.2x	4.4x	11.1%	7.9%	1.06	1.16	3.9%	10.1%
Motor Oil	25.00	29.90	20%	5.7x	5.0x	4.8x	4.2x	5.7%	6.0%	4.35	4.98	-7.8%	14.5%
Metlen	47.00	62.40	33%	10.8x	8.4x	7.6x	6.5x	3.3%	4.2%	4.34	5.55	0.8%	28.1%
Cenergy	10.66	14.00	31%	10.9x	9.5x	7.3x	6.3x	1.4%	1.8%	0.92	1.05	39.8%	14.8%
PPC	14.69	19.70	34%	11.3x	7.5x	6.0x	5.7x	2.8%	4.0%	1.27	1.91	37.5%	49.9%
AVAX	2.21	3.03	37%	7.0x	5.8x	5.5x	4.9x	3.3%	4.2%	0.30	0.36	16.3%	20.2%
Jumbo	30.00	33.50	12%	12.0x	11.5x	8.1x	7.5x	5.4%	5.6%	2.48	2.59	5.8%	4.5%
OPAP	19.49	22.20	13.9%	14.1x	13.3x	8.3x	7.8x	7.5%	7.7%	1.38	1.45	2.9%	5.5%
HTO	15.70	16.20	3%	10.5x	10.2x	4.9x	4.8x	4.7%	4.7%	1.48	1.53	12.4%	3.3%
TITAN	38.45	50.50	31%	9.1x	8.2x	5.3x	4.7x	8.0%	3.0%	4.15	4.57	10.4%	10.1%
Intralot	1.86	1.55	-17%	57.7x	22.7x	6.6x	5.8x	-	-	0.02	0.05	-10.0%	154.0%

	Current Price	Taregt Price	Upside (%)	P/E (x)		P/TBV (x)		Rem. yield (%)		EPS		EPS growth (%)	
				2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e	2025e	2026e
Alpha Bank	3.30	3.20	-3.1%	8.8x	8.1x	1.0x	0.9x	5.5%	6.0%	0.37	0.40	33.2%	8.5%
Piraeus Financial Holdings	6.41	7.50	17.0%	7.2x	7.1x	1.0x	0.9x	6.7%	6.8%	0.87	0.88	2.6%	0.9%
Eurobank Holdings	3.11	3.40	9.5%	8.6x	8.2x	1.2x	1.1x	5.7%	5.8%	0.36	0.38	-3.9%	4.8%
National Bank of Greece	11.71	12.25	4.7%	9.5x	9.0x	1.2x	1.1x	5.3%	5.4%	1.21	1.28	-9.7%	5.4%

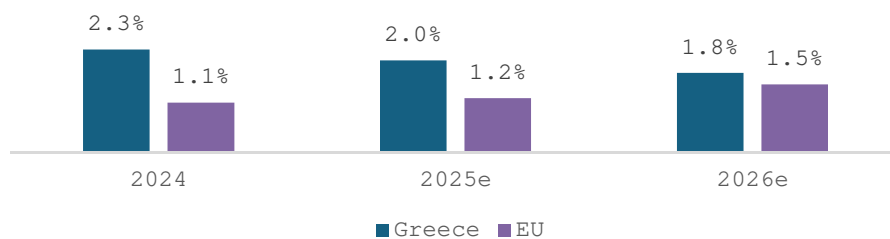
	P/E (x)		EPS growth (%)		Div. yield (%)	
	2025e	2026e	2025e	2026e	2025e	2026e
<i>Optima Universe weighted avg.</i>	9.0x	7.9x	7.1%	12.1%	5.5%	5.5%

Source: Optima research

The macroeconomic landscape

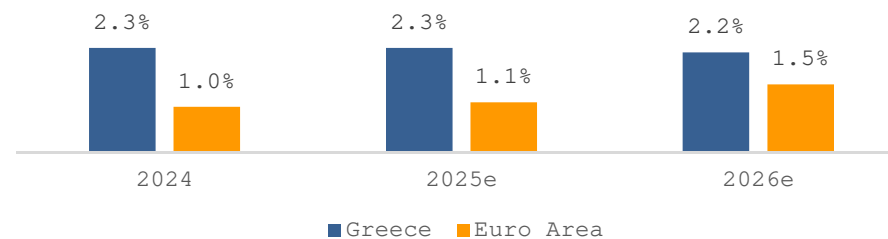
Solid growth continues, GDP expansion to outpace EU average for a 4th consecutive year

IMF: Greece vs EU | Real GDP growth 2024-26e (%)



Source: IMF, April 2025

EC: Greece vs Euro Area | Real GDP growth 2024-26e (%)



source: EC Spring Forecasts (May 2025)

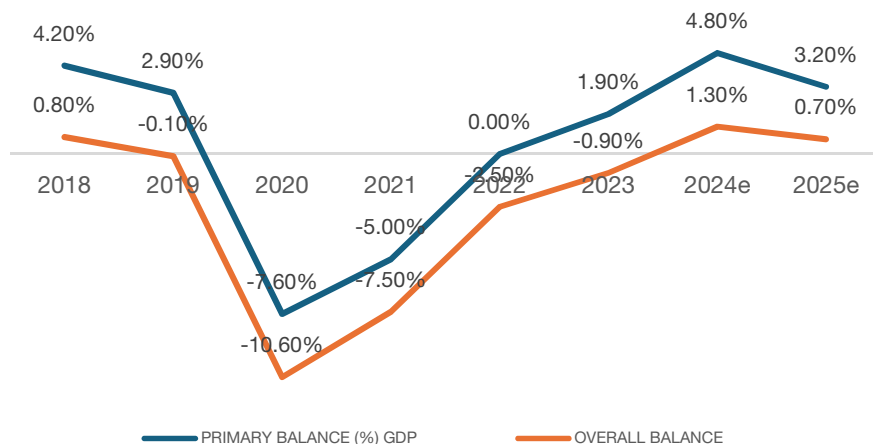
- Bank of Greece (June 2025 Monetary Policy Report) maintains a cautiously optimistic outlook for the Greek economy, projecting GDP growth of 2.3% in 2025 (expected to remain above EU average), before moderating to 2.0% in 2026 (down from 2.3% previously), amid a backdrop of global economic slowdown and heightened uncertainty. Growth is expected to remain consumption-driven, with investment and exports continuing to contribute positively. HICP inflation is forecast to ease further, reaching 2.5% in 2025 and converging toward 2.2% by 2027, gradually aligning with the ECB's medium-term target.

Equity Market Strategy, July 2025

- According to preliminary MoF data for the central government budget execution on a modified cash basis in January-May 2025, the central government budget recorded a EUR 1,883m surplus vs. a targeted deficit of EUR 2,475m (based on the 2025 Budget introductory report) and an EUR 535m deficit in the same period in 2024. On a primary basis, the budget recorded a EUR 5,351m surplus vs. a targeted surplus of EUR 1,055m and an EUR 3,197m surplus in the same period in 2024.

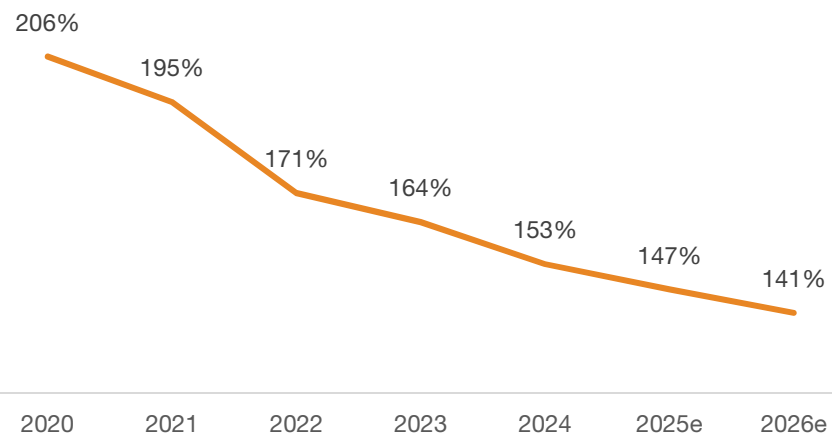
Fiscal discipline, primary surpluses and GDP growth to further improve leverage ratios

Primary and Overall Balance, Public Debt (% of GDP)



source: IMF, January 2024

Debt / GDP (%)

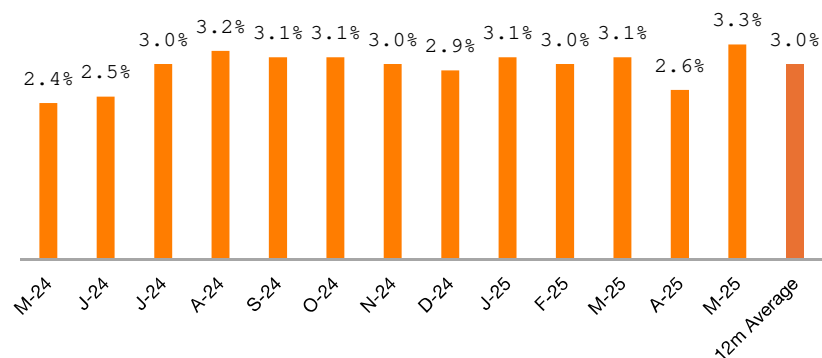


source: Factset, Optima research

- The primary surplus is expected to shape at 3.2% of GDP in 2025e (from 2.4% previously) and to remain at those levels in the medium term.
- Consequently, IMF projects Public Debt (gross) to continue its downward trajectory, from 180% in 2022, to 158% in 2024e and further down to 148.6% by 2026.
- Supported by the deleverage of the Greek Debt and also the regain of the investment grade status in 2023, GGB's continue outperforming their EU peers, with the 10-year Bond currently trading almost at par with the French.

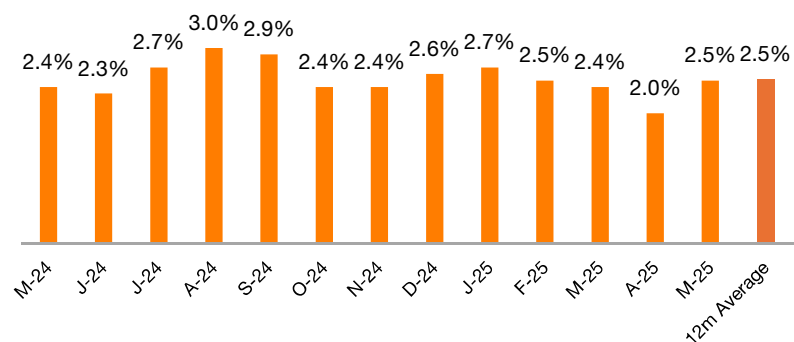
Greek Inflation above EU average; to decelerate at a slow pace in 2025

Annual Harmonized CPI Change May 2024 – May 2025 (%)



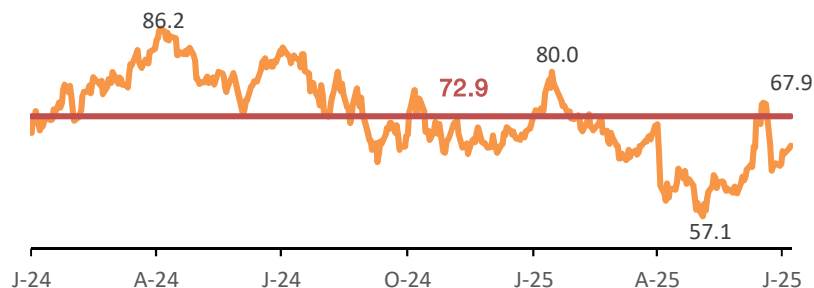
Source: ELSTAT

Annual CPI Change May 2024-May 2025 (%)



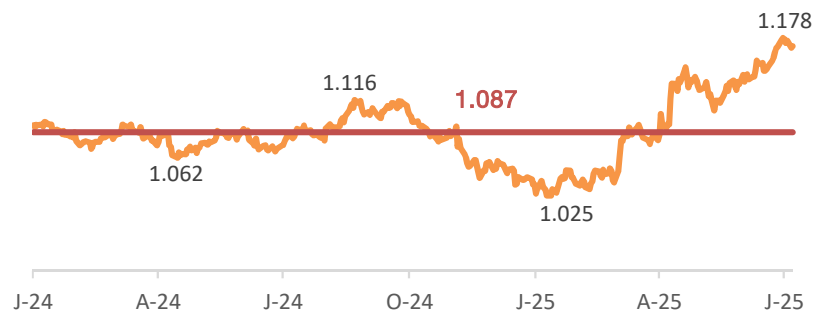
Source: ELSTAT

Crude Oil prices



Source: Bloomberg

EUR/USD price

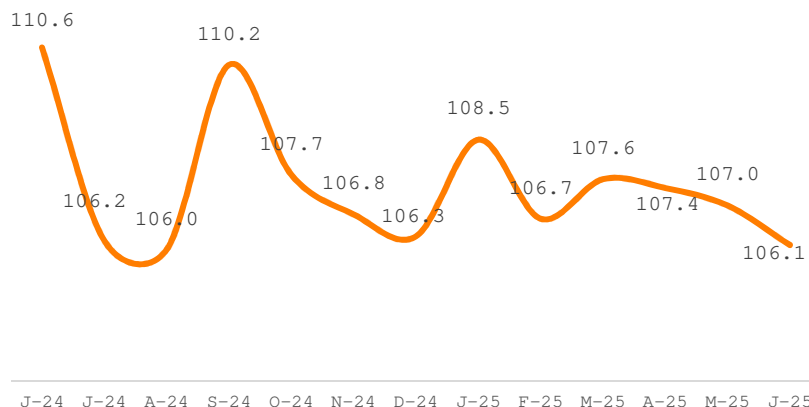


Source: Bloomberg

- Inflation has further decreased to c.2.5% in 2025 vs. 2.8% in FY24, with core inflation (food and services) remaining above EU average. Average HICP also decreased to 3.0% in May 2025 .
- European Commission forecasts that HICP will decelerate to 2.8% in 2025e and 2.3% in 2026e

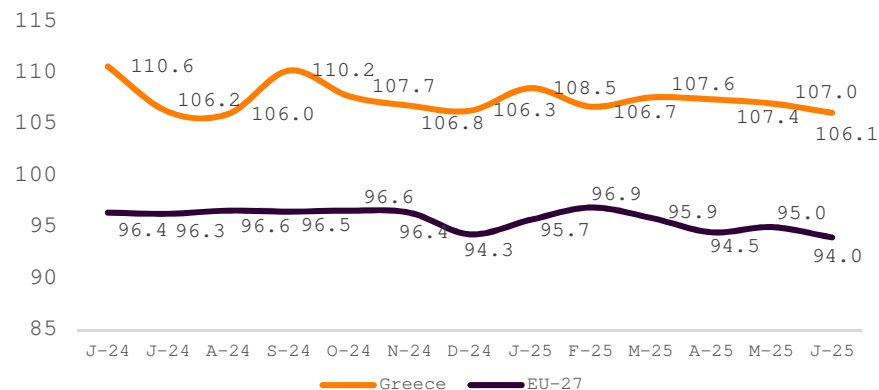
Leading indicators also point growth

ESI Greece



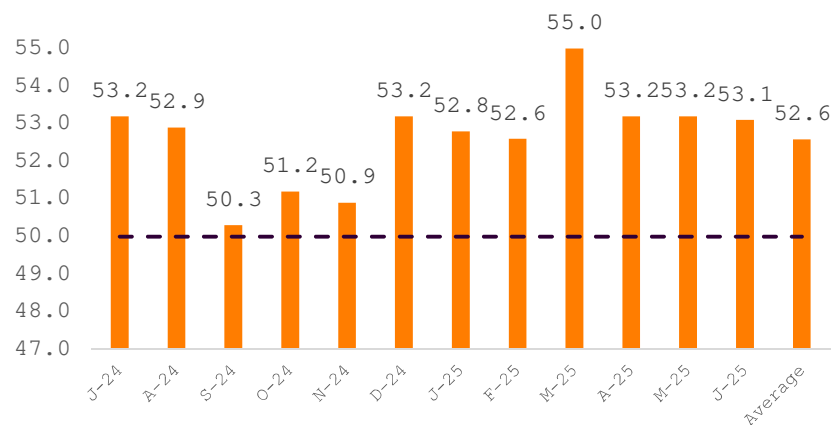
source: Eurostat

ESI | Greece vs EU



source: Eurostat

S&P Global Manufacturing PMI



source: S&P Global

- Economic Sentiment Index decreased to 106.1 units in June 2025, yet remains well above EU average, indicating sustained relative optimism in the domestic economic outlook.
- Manufacturing PMI remained at high levels of 53.1 units in June 2024, above to year average of 52.6, well above the 50 units benchmark, signaling healthy expansion of the manufacturing sector

Banks

Operating environment remains benign

We reiterate our positive stance on Greek banks for the following reasons:

- ✓ Propitious macroeconomic environment.
- ✓ Under penetrated market with loans at just 62% of GDP versus 119% in 2010. Private sector loans at EUR 124.4bn (+11% y-o-y) in May 2025.
- ✓ Corporate lending is the spearhead of growth at EUR 85.7bn in May 2025 and recorded the highest growth rate (+17.5% y-o-y) since early 2009.
- ✓ Household lending at EUR 34.8bn (-0.1% y-o-y), with housing loans at EUR 26.0bn (-2% y-o-y) and consumer credit at EUR 8.6bn (+6% y-o-y).
- ✓ Private sector deposits reached EUR 199.6bn (+5% y-o-y, -2% y-t-d) in May 2025 and account for 99% of GDP24.
- ✓ Time deposits reached EUR 35.5bn in May 2025 and accounted for 17.1% of system deposits.
- ✓ Ample liquidity in the system with private sector loans at just 62% of deposits versus 123% in 2010. Excess liquidity of EUR 75bn.
- ✓ Asset quality dynamics remain positive with 1Q25 NPE ratio at 2.8%, lower than Spanish (2.9%) and close to Italian banks (2.6%).
- ✓ Capital ratios exceed by far the minimum capital requirements; quality of capital is improving.
- ✓ Profitability will continue to grow by low single-digits, despite the interest rate cuts and will fortify due to the recent acquisitions.
- ✓ Remuneration yield at 6.3%, slightly higher than EU peers (6.2%) as payouts accelerate to 50% in 2025e and 51% in 2026e vs. 45% in 2024, whilst there is more room to increase further.
- ✓ RoaTBV surpasses EU banks (14.3% vs. 13.5% of EU banks).
- ✓ Valuations still point to 7% upside as systemic banks are trading 1.118x P/TBV25e, at 9% discount to EU banks, despite the higher RoaTBV generation (14.3% against 13.5% of EU peers).
- ✓ M & A in the forefront. The move of Unicredit to increase its equity stake in Alpha Bank up to 29.99% might attract other foreign banks as strategic investors in Greek banks. Recall that Fairfax Financial Group is the major shareholder of Eurobank Holdings with a 32.89% equity stake and John Paulson is the major shareholder of Piraeus Financial Holdings with a 14.0% equity stake.

On the flipside, the downside risks that Greek banks are facing are:

- ❑ A prolonged global turbulence might have a negative impact on asset quality and profitability.

EPS and Target Price Upgrades

1Q25 performance pointed that banks are on track to deliver FY targets

- ✓ Net profit of the four systemic banks came in at EUR 1.12bn (+34% q-o-q) in 1Q25.
- ✓ RoaTBV widened to 14.6% 10.1% in 4Q24.
- ✓ Single-digit NPE ratio (2.8%) versus 50.1% in 2016. Group NPEs stood at EUR 5.1bn from EUR 9.8bn in 2024.
- ✓ High cash coverage at 76.6%.
- ✓ Median FL CET1 ratio at 15.9%, including 2025 dividend accruals.

We upgrade our EPS estimates and TP25e for the following reasons

- ✓ We raise our EPS estimates by 2% for 2025 and by 3% for 2026 on higher revenues (+2% for 2025e, +3% for 2026e) and lower LLPs (-4% for 2025e, -5% for 2026e). Recall that our EPS estimates over 2026e-2027e do not incorporate the recent acquisitions as we wait for more details.
- ✓ We now expect EPS to grow by 1.5% y-o-y in 2025e and by 4.7% y-o-y in 2026e.
- ✓ Slightly higher net interest income (+1% per annum) over 2025e-2026e.
- ✓ Higher fee income (+5% for 2025e, +6% for 2026e) and non-core revenues (+6% for 2025e)
- ✓ Lower Cost of Equity thanks to the drop in the risk-free rate and in betas.

	Target Price 25e (EUR)			EPS25e (EUR)			RoaTBV 25e (%)	
	New	Old	%	New	Old	%	New	Old
NBG	12,25	10,92	12%	1,21	1,21	0%	13,9%	14,0%
Eurobank	3,40	2,80	21%	0,36	0,35	2%	15,1%	15,0%
Piraeus	7,50	6,50	15%	0,87	0,84	4%	14,7%	14,1%
Alpha Bank	3,20	2,75	16%	0,36	0,36	2%	11,9%	11,6%

source: Optima Bank Research

Piraeus Financial Holdings <BOPr.AT / TPEIR GA>

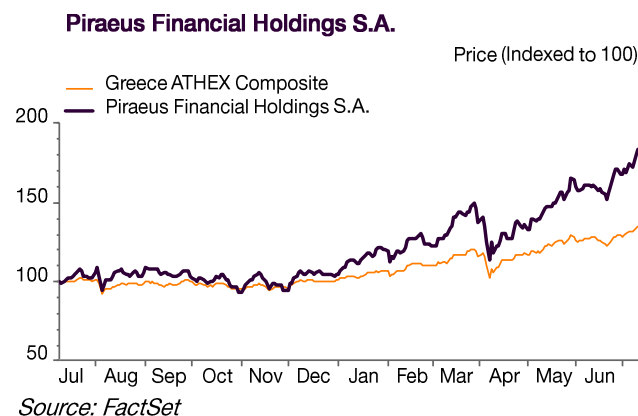
Discount remains high despite its higher RoaTBV

Piraeus is the leading bank in Greece and commands a 28% market share in deposits and 25% market share in performing loans. Nonetheless, the economic crisis in tandem with six acquisitions resulted to mounting NPEs of EUR 35.8bn in 2016. The bank proceeded to a share capital increase of EUR 1.4bn in 2021 to speed up its NPE clean-up process and has managed to decrease the NPE stock to EUR ca1.1bn in March 2025. We believe that Piraeus has the most attractive risk/reward profile in the sector in this benign economic environment. We favour Piraeus for the following reasons:

- We raise our TP25e by 15% to EUR 7.50/share from EUR 6,50 previously, implying 17% potential upside on higher than expected i) EPS, ii) RoaTBV and iii) lower CoE at 11.4% vs. 11.9%, thanks to the drop in RFR (3.3% from 3.80%). At our target price, the stock would trade 1.22x P/TBV25e, at par with EU banks. The stock is trading 1.04x P/TBV25e, at a deep discount of 20% vs. EU banks which is not justified, given its higher RoaTBV profile (14.7% vs. 13.5% of EU banks).
- Following the good set of 1Q25 results, we increase our 2025 reported EPS estimate by 4% on higher-than-expected NII (+1%), fee income (+2%) and lower LLPs (-11%) and forecast that reported net profit will shape at EUR ca1.09bn (+3% y-o-y) in 2025 and will accelerate to EUR 1.10bn in 2026e (+5% y-o-y). We also forecast remuneration of EUR 0.44 for 25e and 26e, assuming a payout of 50%.
- The medium-term catalysts are a) the acquisition of Ethniki Insurance (90.01% equity stake) According to Piraeus, the transaction is EPS accretive by ca5% and RoaTBV by ca 1pp and it elevates fee generation to international best-in-class levels b) the launch of Snappi, the neobank in which Piraeus controls a 69.27% stake. Snappi holds a Pan-European banking license and will commence its operations in Greece in 2025 and will expand in the European market within 2026, with focus on Germany, Italy and Spain. Recall that the median value per customer stands at EUR 741, based on the corporate transactions that took place in neobanks over 2022-2024.

Share Price (EUR)	6.4120
Target Price (EUR)	7.50
Upside	17%
Rating	Buy
Market Cap (EUR m)	8,017
Target M. Cap (EUR m)	9,378
Free Float	100%

Piraeus vs. ATHEX



source: ATHEX, Optima bank research

Piraeus Bank <BOPr.AT / TPEIR GA>

Target Price (EUR)	New	Old	(EUR m)	2025e			2026e		
				New	Old	%	New	Old	%
RFR	3,33%	3,80%	Net interest income	1.900	1.880	1%	1.903	1.894	0%
Risk premium	5,00%	5,00%	Fee income	650	639	2%	670	656	2%
Beta	1,62	1,62	Core income	2.550	2.519	1%	2.572	2.549	1%
Cost of Equity	11,4%	11,9%	Non-recurring revenues	80	89	-10%	80	75	7%
RoaTBV (Reported)	14,7%	14,1%	Total revenues	2.630	2.608	1%	2.652	2.624	1%
Long-term growth rate	0,0%	0,0%	OpEx	(889)	(838)	6%	(899)	(891)	1%
TBVPS	6,14	6,12	Pre-provision income	1.741	1.770	-2%	1.753	1.734	1%
Fair P/TBV	1,29x	1,19x	Loan loss provisions	(172)	(192)	-11%	(174)	(191)	-9%
Fair Value	7,91	7,27	Reported net profit	1.093	1.050	4%	1.104	1.074	3%
Target Price 25e (discounted FV)	7,50	6,50	Remuneration/share	0,44	0,42	4%	0,44	0,43	3%
Target M.Cap (EUR m)	9.373	8.125	RoaTBV (%)	14,7%	14,1%	-	13,9%	13,6%	-
Target P/TBV	1,22x	1,06x	source: Company, Optima bank research						
Current price	6,412								
Upside (%)	17%	-							

source: Optima bank research, Bloomberg

Piraeus Bank <BOPr.AT / TPEIR GA>

KPIs (EUR m)	2024a	2025e	2026e
NII	2.088	1.900	1.903
Fee income	648	650	670
Core income	2.736	2.550	2.572
Total revenues	2.757	2.630	2.652
OpEx	(877)	(889)	(899)
Pre Provision Income	1.880	1.741	1.753
Provisions	(281)	(172)	(174)
Reported net profit	1.066	1.093	1.104
Normalised NP adj. AT1 cpn	1.013	1.056	1.051
Cash with central bank	7.423	7.423	7.423
Interbank lending	2.352	2.352	2.352
Investment securities	16.837	17.837	18.837
Net Loans	40.685	42.897	45.680
Deferred tax	5.363	5.006	4.645
Other Assets	7.385	6.989	7.058
Assets	80.044	82.503	85.994
Deposits	62.853	64.482	65.482
Due to banks	2.378	2.378	2.378
Debt securities	4.518	4.650	5.150
Tangible Equity	7.201	7.679	8.162
Group NPEs	1.068	1.068	918
Reported EPS	0,85	0,87	0,88
TBVPS	5,76	6,14	6,53
Remuneraition per share	0,30	0,44	0,44

source: Company, Optima bank research

Key Metrics	2024a	2025e	2026e
RoATBV (%)	15,7%	14,7%	13,9%
NIM (% avg. assets)	2,67%	2,34%	2,26%
Cost/Core Income (%)	32,1%	34,9%	35,0%
Cost/Income (%)	31,8%	33,8%	33,9%
CoR (%)	0,72%	0,41%	0,39%
NPE ratio (%)	2,6%	2,4%	2,0%
NPE coverage (%)	64,7%	68,2%	75,8%
FL CET1 (%)	14,5%	14,6%	15,0%
P/E (x)	7,5x	7,3x	7,3x
P/TBV (x)	1,11x	1,04x	0,98x
Yield (%)	4,7%	6,8%	6,9%

National Bank of Greece <NBGr.AT / ETE GA>

Ready for inorganic actions

National Bank of Greece was established in 1841 and is the oldest bank in Greece. NBG has the second largest deposit base, grasping a 28% market share and 24.8% market share in performing loans. After the disposal of its international assets agreed with DGCom, NBG has a small presence outside Greece. We favour NBG for the following reasons:

- We raise our TP25e by 12% to EUR 12.25/share from EUR 10.92 previously, implying 5% potential upside on lower CoE at 9.7% vs. 10.4% thanks to the drop in RFR (3.3% from 3.64%) and beta (1.27 from 1.35). The stock is trading 1.31x P/TBV25e, at par with EU banks. At our target price, the stock would trade 1.37x P/TBV25e, at 11% premium to EU banks. The premium is justified due to its higher RoaTBV (13.9% vs. 13.5% of EU banks).
- Following 1Q25 results, we left our 2025 EPS estimate unchanged at EUR 1.21 and project net profit to reach EUR ca1.11bn (-4% y-o-y). Moreover, we raise our 2026 EPS estimate by 3% to EUR 1.28 and forecast net profit to shape at EUR ca1.17bn (+5% y-o-y) due to higher NII (+2%), fee income (+2%) and lower LLPs (-3%). We also forecast remuneration to shareholders to accelerate to EUR 0.73 in 2025e and EUR 0.77 in 2026e from EUR 0.63 in 2024, assuming a payout of 60%.
- We estimate that excess capital will reach EUR 1.97bn or EUR 2.15/share in 2025e and will accelerate to EUR 2.26bn/EUR 2.47/share in 2026e.
- Management stated in 2024 results CC that is looking for inorganic opportunities big in size with tech benefits.

Share Price (EUR)	11.71
Target Price (EUR)	12.25
Upside	5%
Rating	Buy
Market Cap (EUR m)	10,707
Target M. Cap (EUR m)	11,205
Free Float	91.61%
HCOAP	8.39%

National Bank vs. ATHEX



source: ATHEX, Optima bank research

National Bank of Greece <NBGr.AT / ETE GA>

Target Price (EUR)	New	Old
Avg. RFR	3,33%	3,64%
Risk premium	5,00%	5,00%
Beta	1,2s7	1,35
Cost of Equity	9,7%	10,4%
RoaTBV (Reported)	13,9%	14,0%
Long-term growth rate	0,0%	0,0%
Fair P/TBV	1,43x	1,35x
Target Price (discounted FV)	12,25	10,92
Target M.Cap (EUR m)	11.208	9.989
Target P/TBV	1,37x	1,22x
Current price	11,71	-
Upside (%)	5%	-

source: Optima bank research, Factset

(EUR m)	2025e			2026e		
	New	Old	%	New	Old	%
Net interest income	2.162	2.158	0%	2.211	2.179	1%
Fee income	439	436	1%	470	474	-1%
Core income	2.601	2.594	0%	2.681	2.653	1%
Non-recurring revenues	130	92	42%	100	92	9%
Total revenues	2.731	2.685	2%	2.781	2.744	1%
OpEx	(928)	(896)	4%	(974)	(929)	5%
Pre-provision income	1.803	1.789	1%	1.807	1.815	0%
Loan loss provisions	(165)	(177)	-7%	(162)	(172)	-6%
Reported net profit	1.109	1.108	0%	1.169	1.135	3%
Reported EPS	1,21	1,21	0%	1,28	1,24	3%

National Bank of Greece <NBGr.AT / ETE GA>

KPIs (EUR m)	2024a	2025e	2026e
NII	2.356	2.162	2.211
Fee income	427	439	470
Core income	2.783	2.601	2.681
Total revenues	2.887	2.731	2.781
OpEx	(884)	(928)	(974)
Pre Provision Income	2.003	1.803	1.807
Loan Loss Provisions	(180)	(165)	(162)
Reported net profit	1.158	1.109	1.169
Cash with central bank	5.380	5.380	5.380
Interbank lending	2.679	2.679	2.679
Investment securities	20.392	21.392	22.392
Net Loans	36.139	38.903	41.867
Deferred tax	4.006	3.606	3.206
Other assets	6.361	6.315	6.269
Assets	74.957	78.275	81.793
Deposits	57.593	57.993	58.393
Due to central banks	0	0	0
Debt securities	3.709	3.423	2.923
Tangible Equity	7.797	8.186	8.600
Group NPEs	945	945	945
EPS	1,27	1,21	1,28
TBVPS	8,52	8,95	9,40
Remuneration per share	0,63	0,73	0,77

source: Company, Optima bank research

Metrics	2024a	2025e	2026e
Avg. RoTE (%)	15,5%	13,9%	13,9%
NIM (% avg. assets)	3,15%	2,82%	2,76%
Cost/Income (%)	30,6%	34,0%	35,0%
CoR (%)	0,51%	0,44%	0,40%
NPE ratio (%)	2,6%	2,4%	2,2%
NPE coverage (%)	98,2%	94,7%	94,7%
FL CET1 (%)	19,1%	18,9%	19,3%
P/E (x)	9,2x	9,7x	9,2x
P/TBV (x)	1,38x	1,31x	1,24x
Yield (%)	5,4%	6,2%	6,6%

Eurobank Holdings <EURBr.AT / EUROB GA>

Cyprus is the new international hub

Eurobank has always been ahead of the curve since its establishment in 1990. It is the first bank that accelerated its NPE reduction plan and is the sole bank which has a strong foothold in SEE (Bulgaria, Cyprus) and in Luxembourg, accounting for 53% of group's adjusted net profit in 1Q25. We favour Eurobank for the following reasons:

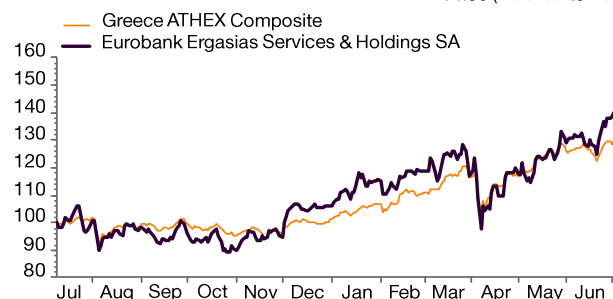
- We raise our TP25e by 21% to EUR 3.40/share from EUR 2.80 previously, implying 9% potential upside, on slightly higher EPS25e and lower CoE. At our target price, the stock would trade 1.37x P/TBV25e, at 11% premium to EU banks. The stock is trading 1.26x P/TBV25e, at 3% discount to EU banks which is not justified by its higher RoaTBV (15.1% vs. 13.5% of EU banks).
- Following 1Q25 results, we raise our 2025 EPS estimate by 2% at EUR 0.36 due to the consolidation of CNP Insurance in Cyprus and project net profit to reach EUR ca1.33bn (-8% y-o-y). Moreover, we also increase our 2026 EPS estimate by 5% to EUR 0.38 and forecast net profit to shape at EUR ca1.4bn (+5% y-o-y) due to higher NII (+2%), fee income (+8%) and lower LLPs (-2%). We also forecast remuneration to shareholders to shape at EUR 0.18 in 2025e and EUR 0.20 in 2026e from EUR 0.18 in 2024, assuming a payout of 50% and 52% over 2025e-2026e.
- The major catalyst for Eurobank is the restructuring and merger of Hellenic Bank with Eurobank Cyprus and their operation as a single entity. The combined entity will be the largest bank in Cyprus with assets of EUR 28.0bn. The legal merger between the two banks is expected to be completed in 3Q25. Eurobank has announced that is considering the parallel listing of its shares on Cyprus Stock Exchange.
- According to its business plan, organic capital generation over 2024-2027e supports strategic optionality of EUR >1.5bn for potential inorganic growth opportunities in banking, insurance and asset management in Greece, Cyprus, Bulgaria and Luxembourg.

Share Price (EUR)	3.111
Target Price (EUR)	3.40
Upside	9%
Rating	Buy
Market Cap (EUR m)	11,438
Target M. Cap (EUR m)	12,501
Free Float	100.0%

Eurobank vs. ATHEX

Eurobank Ergasias Services & Holdings SA

Price (Indexed to 100)



Source: FactSet

source: ATHEX, Optima bank research

Eurobank Holdings <EURBr.AT / EUROB GA>

Target Price (EUR)	New	Old
RFR	3,33%	3,59%
Risk premium	5,50%	5,50%
Beta	1,30	1,34
Cost of Equity	10,5%	10,9%
RoaTBV (Reported)	15,1%	14,9%
Long-term growth rate	0,0%	0,0%
TBVPS	2,47	2,27
Fair P/TBV	1,44x	1,36x
Fair Value	3,57	3,10
Target Price (discounted FV)	3,40	2,80
Target M.Cap (EUR m)	12.503	10.295
Target P/TBV	1,37x	1,23x
Current price	3,111	
Upside (%)	9%	

(EUR m)	2025e		%	2026e		%
	New	Old		New	Old	
Net interest income	2.524	2.520	0%	2.607	2.560	2%
Fee income	750	657	14%	810	685	18%
Core income	3.274	3.178	3%	3.245	3.245	0%
Non-recurring revenues	79	120	-34%	79	120	-34%
Total revenues	3.353	3.298	2%	3.364	3.364	0%
OpEx	(1.230)	(1.242)	-1%	(1.279)	(1.271)	1%
Pre-provision income	2.123	2.056	3%	2.094	2.094	0%
Loan loss provisions	(314)	(316)	-1%	(307)	(322)	-5%
Minorities	(0)	(6)	-100%	0	0	-
Reported net profit	1.331	1.301	2%	1.395	1.330	5%
Reported EPS	0,36	0,35	2%	0,38	0,36	5%

source: Optima bank research, Bloomberg

Eurobank Holdings <EURBr.AT / EUROB GA>

KPIs (EUR m)	2024	2025E	2026E	Key Metrics	2024	2025E	2026E
NII	2.504	2.524	2.607	RoaTBV (%)	18,2%	15,1%	14,8%
Fee income	561	750	810	Adjusted RoaTBV (%)	18,3%	15,4%	15,2%
Core income	3.065	3.274	3.417	NIM (% avg. assets)	2,77%	2,47%	2,48%
Total revenues	3.339	3.353	3.496	Cost/Core Income (%)	35,6%	37,6%	37,4%
OpEx	(1.090)	(1.230)	(1.279)	Cost/Income (%)	32,6%	36,7%	36,6%
Pre Provision Income	2.249	2.123	2.217	CoR (%)	0,7%	0,6%	0,5%
Provisions	(305)	(314)	(307)	NPE ratio (%)	2,9%	2,8%	2,6%
Reported net profit	1.458	1.331	1.395	NPE coverage (%)	84,1%	82,9%	80,6%
Adjusted net profit	1.471	1.352	1.430	FL CET1 (%)	15,7%	15,8%	16,0%
Cash with central bank	16.131	14.131	14.131	P/E (x)	7,9x	8,6x	8,2x
Interbank lending	2.196	2.296	2.396	P/TBV (x)	1,35x	1,26x	1,18x
Investment securities	22.184	23.084	24.084	Yield (%)	5,9%	5,8%	6,3%
Net Loans	50.953	54.191	57.726				
Deferred tax	3.780	3.382	2.962				
Other Assets	1.980	1.980	1.980				
Assets	101.150	102.999	107.314				
Deposits	78.593	78.397	78.197				
Due to banks	0	0	0				
Debt securities	7.056	7.788	7.788				
Tangible Equity	8.484	9.099	9.718				
Group NPEs	1.537	1.537	1.537				
Reported EPS	0,40	0,36	0,38				
Adjusted EPS	0,40	0,37	0,39				
TBVPS	2,31	2,47	2,64				
Remuneration per share	0,18	0,18	0,20				

source: Optima bank research

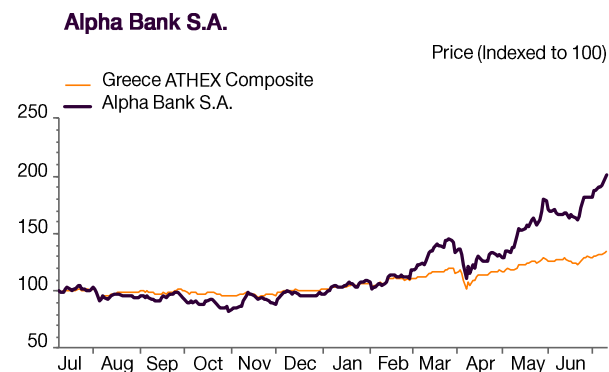
Startling performance in 1H25, New acquisitions to increase EPS over 2026e-2027e

Alpha Bank is the oldest private bank (1879) in Greece and the market leader in corporate lending. The group has also presence in Cyprus, UK and Luxembourg. Alpha has established a strategic partnership with Unicredit, which holds a 20.477% stake, with the intention to increase it up to 29.9%. The stock recorded startling gains of 85% in 1H25. We will be buyers on lower levels and we favour Alpha for the following reasons:

- We raise our TP by 16% to EUR 3.20/share from EUR 2.75 previously, implying 3% potential downside on lower CoE at 11.1% vs. 11.9%, thanks to the drop in beta. At our target price, the stock would trade 1.01x P/TBV25e, at 18% discount to EU banks. The stock is currently trading 1.05x P/TBV25e, at 19% discount vs. EU banks which is justified by its lower RoaTBV (11.9% vs 13.5% of EU banks).
- Following 1Q25 results, we raise our 2s025 EPS estimate by 2% at EUR 0.36 on slightly higher NII (+1%) and non-core revenues (+28%) and project net profit to reach EUR 857m (+31% y-o-y). Moreover, we also increase our 2026 EPS estimate by 1% to EUR 0.40 and forecast net profit to stand t EUR 930m (+9% y-o-y). We also forecast remuneration to shareholders to shape at EUR 0.18 in 2025e and EUR 0.20 in 2026e from EUR 0.119 in 2024, assuming a payout of 50% and 52% over 2025e-2026e. Recall that our 2026e-2027e forecast do not incorporate the recent acquisitions of Astrobank in Cyprus, Axia Ventures in Greece and the strategic partnership with Hellenic Post. Alpha Bank announced on 28 May its strategic partnership with Hellenic Post and the provision of comprehensive financial services through ELTA's extensive network of 1,100 service points across Greece. The offering will include deposit products, payments and fund transfers, loans, insurance, and other financial solutions. Services are expected to be rolled out gradually across all ELTA service points, from 2H25e.
- The management upgraded 2027e net profit target to EUR >1.06bn (EPS >0.45) from EUR >988m (EPS >0.42) previously on the back of the aforementioned acquisitions.

Share Price (EUR)	3.31
Target Price (EUR)	3.20
Downside	-3%
Rating	Neutral
Market Cap (EUR m)	7,788
Target M. Cap (EUR m)	7,530
Free Float	100%

Alpha vs. ATHEX



Source: FactSet

source: ATHEX, Optima bank research

Alpha Services and Holdings <ACBr.AT / ALPHA GA>

Target Price (EUR)	New	Old	(EUR m)	2025e		%	2026e		%
Avg. RFR	3,33%	3,84%	Net interest income	1.670	1.660	1%	1.730	1.720	1%
Risk premium	5,00%	5,00%	Fee income	449	449	0%	495	495	0%
Beta	1,55	1,61	Core income	2.119	2.109	0%	2.225	2.215	0%
Cost of Equity	11,1%	11,9%	Non-recurring revenues	185	145	28%	177	157	13%
RoTE (Reported)	11,9%	11,6%	Total revenues	2.304	2.254	2%	2.402	2.372	1%
Long-term growth rate	0,0%	0,0%	OpEx	(870)	(870)	0%	(898)	(898)	0%
TBVPS	3,15	3,15	Pre-provision income	1.434	1.384	4%	1.503	1.474	2%
Fair P/TBV	1,07x	0,98x	Loan loss provisions	(201)	(201)	0%	(210)	(210)	0%
Fair Value	3,37	3,08	One-offs	(50)	(25)	100%	(20)	0	-
			Reported net profit	857	840	2%	930	922	1%
			Reported EPS	0,36	0,36	2%	0,40	0,39	1%
Target Price (discounted FV)	3,20	2,75							
Target M.Cap (EUR m)	7.530	6.477							
Target P/TBV	1,01x	0,87x							
Current price	3,311								
Downside (%)	-3%								

source: Optima Research, Factset

Alpha Services and Holdings <ACBr.AT / ALPHA GA>

KPIs (EUR m)	2024	2025e	2026e
NII	1.647	1.670	1.730
Fee income	420	449	495
Core income	2.067	2.119	2.225
Total revenues	2.219	2.304	2.402
OpEx	(866)	(870)	(898)
Pre Provision Income	1.352	1.434	1.503
Provisions	(236)	(201)	(210)
Reported net profit	654	857	930
Normalized net profit AT1 cpn	813	977	1.020
Investment Securities	17.597	18.797	19.597
Net Loans	39.050	40.899	43.014
Deposits	51.032	52.032	53.032
Due to central banks	2.600	2.800	2.800
Debt securities	3.208	3.670	4.170
Tangible Equity	7.036	7.419	7.884
Group NPEs	1.491	1.461	1.381
EPS	0,28	0,36	0,40
Norm. EPS adj. AT1 cpn	0,35	0,41	0,43
TBVPS	2,99	3,15	3,35
DPS	0,119	0,182	0,198

Metrics	2024	2025e	2026e
Avg. RoTE (%)	9,7%	11,9%	12,2%
NIM (% avg. assets)	2,3%	2,3%	2,2%
Cost/Income (%)	39,0%	37,8%	37,4%
CoR (% avg. net loans)	0,63%	0,50%	0,50%
NPE ratio (%)	3,8%	3,5%	3,1%
NPE coverage (%)	53,3%	55,0%	60,0%
FL CET1 (%)	16,3%	16,5%	17,1%
P/E (x)	11,9x	9,1x	8,4x
P/TBV (x)	1,11x	1,05x	0,99x
Yield (%)	3,6%	5,5%	6,0%

Source: Company, Optima bank research

Energy & Industrials

METLEN <MYTr.AT / MYTIL GA>

London Listing and Metals Investments take profitability to the next level

Metals investments and defense expansion take profitability to the next level:

Following a surprisingly strong 2023 and a stronger 2024e, METLEN unveiled its Strategic Roadmap towards Medium-term EBITDA target of EUR 1.90 – EUR 2.08bn, with no major acquisitions and the launch of 3 major new growth pillars a) Critical metals (Gallium), b) Circular Metals (additional EBITDA of EUR 220m by 2028), and c) Defense (target EUR 130-170m EBITDA by 2028), which complement and build upon its position in energy (Targets to reach 30% market share in retail electricity and additional EBITDA of EUR 360m by 2028), metals, and infrastructure and concessions (additional EBITDA of EUR 100m by 2028). On top of the above, Metlen continues to leverage on the energy megatrends through RES asset rotation platform, as the company holds a ~12.5W global RES pipeline, 2.8GW of which mature.

London Listing to further support the Stock

Metlen only recently launched the long-awaited tender offer for the relisting of its stock under the Metlen Energy & Metals PLC entity in the LSE and ATHEX. According to the timeline, the completion of the tender offer is expected by 25 July, and subject to >90% acceptance, the stock will commence dual trading from 4 August. Under this condition, Metlen will be deleted from the FTSE Greece indices and will be added in the FTSE Europe Developed Market, FTSE All share London and also London's FTSE 100 Indices; all in, accounting also for the EUROSTOXX 600 addition, net inflows are expected in the EUR 400-500m range. Finally, we don't expect imminent deletion from the MSCI EM index. That said, the London Listing could give Metlen stock the best of the two worlds, attracting funds from both the Emerging and the Developed Markets.

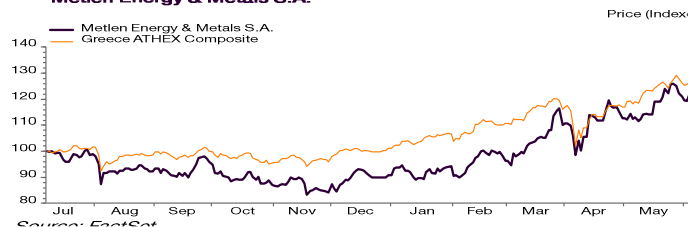
Forecast Revisions | Supported by the new investments in the Metals and defense industries and the faster than previously anticipated execution of RES projects (in Greece and abroad, which more than offsets the softer LNG trading business and Thermal generation compared to our previous estimates, we have considerably upgraded our previous EBITDA and Net profit estimate by 1.2% for 2026-28e, expecting a 2024-28e EBITDA and Net Profits CAGR of c.14.8 and 18.3% respectively. Against this background, we assume increased dividend for FY25/26 to EUR 1.53-1.7/share (from EUR 1.53/share for FY24).

FCF & net debt | We have raised by EUR 100m our previous capex estimates on more aggressive Metals investments to EUR 620m in average for 2025-28e. Accounting however for the stronger operating cash flows over the same period, we expect Metlen to generate FCF of EUR 600m in average over 2025-28e, hence lowering Net Debt to EUR >2.0bn by 2028e (or 0.9x in relative Net Debt/EBITDA terms).

Share Price (EUR)	47.00
Target Price (EUR)	62.40
Rating	Buy
Mkt Cap (m)	6,680
Free float	79.0%

METLEN vs. Greece ATHEX Composite

Metlen Energy & Metals S.A.



The company

METLEN is a diversified industrial group, active in metallurgy & mining (owning one of the largest vertically integrated aluminium companies in Europe), Metal Defense equipment, electricity generation (operating 3 CCGTs) and retail (c.18% market share), natural gas trading, and EPC (specializing in thermal power plants and PVs on a global scale). The company implements a major RES expansion plan in Greece and abroad.

Valuation

We continue valuing Metlen through a combination of 2026e EV/EBITDA multiples valuation, and a two-stage DCF (50% weight each). Our target 2026e EV/EBITDA average multiple of 8.3x returns a fair value of EUR 61.0/share. Our DCF model (which incorporates an explicit set of forecasts for the period up to 2028e, after which we assign a terminal growth of 1.0% and a WACC of 8.0%) returns a fair value of EUR 63.8/share. After applying a 50/50 weight to the aforementioned appraised equity values, we derive a TP of EUR 62.4/share (from EUR 49/share previously, 35.3% upside), hence we reiterate our Buy rating.

METLEN <MYTr.AT / MYTIL GA>

METLEN Turnover & EBITDA breakdown for 2025-28e

METLEN Sales forecasts (EUR m)	2025e	2026e	2027e	2028e	METLEN EBITDA forecasts (EUR m)	2025e	2026e	2027e	2028e
Metals Sales	939.9	1,052.0	1,315.0	2,018.9	Metals EBITDA	256.4	337.2	439.5	667.3
M Energy Sales	5,866.3	6,278.4	6,455.9	6,618.4	M Energy EBITDA	798.9	935.0	993.1	1,092.7
METKA and M Concessions Sales	500.0	725.0	993.3	1,241.6	Constr. & Concessions EBITDA	50.0	72.5	99.3	124.2
Group Sales	7,306.2	8,055.4	8,764.1	9,878.9	Group EBITDA	1,105.3	1,344.7	1,531.9	1,884.2

Source: the Company, Optima bank research

Source: the Company, Optima bank research

Key Financials and Valuation Ratios (2022-27e)

Forecasts Summary	2024	2025f	2026f	2027f	2028f	CAGR 2024-28e
Revenues	5,683.0	7,306.2	8,055.4	8,764.1	9,878.9	18.5%
EBITDA	1,080.1	1,105.3	1,344.7	1,531.9	1,884.2	18.6%
EBITDA adj.	1,080.1	1,105.3	1,344.7	1,531.9	1,884.2	18.6%
Net profit	614.6	619.5	793.7	936.6	1,201.8	23.9%
Net profit adj.	614.6	619.5	793.7	936.6	1,201.8	23.9%
EPS adj.	4.30	4.34	5.55	6.55	8.41	23.9%
DPS	1.53	1.52	1.94	2.29	2.94	23.2%
Valuation Ratios	2024	2025f	2026f	2027f	2028f	
P/E adj.	7.9	10.6	8.2	7.0	5.4	
EV/EBITDA adj.	5.3	7.6	6.2	5.4	4.3	
FCF yield	-8.0%	0.4%	4.0%	8.6%	15.5%	
Dividend yield	4.5%	3.3%	4.3%	5.0%	6.4%	
Net Debt/EBITDA adj.	2.2x	2.3	1.9x	1.4x	0.8x	

Source: the Company, Optima bank research

Bullet proof Business Model, delivers targets

Updated strategy | PPC in its presented its Updated medium term business plan, guiding for 2027e EBITDA at EUR 2.7bn (from EUR 1.8bn in 2024), RES capacity additions of 6.3GW by 2027 (excluding Hydros), complete phase out of lignite plants, EUR 13.1bn cumulative investments in 2024-27e, Net Debt/EBITDA to peak to 3.4x by (from 2.5x in 2023), Net Income up to EUR >0.8bn in 2027e (from EUR 350m in 2024e) and dividend payments to gradually increase from EUR 0.40/share in 2024 to EUR 0.60 for 2025e and EUR 1/share in 2027e. Main growth driver in the medium term will be the generation from Renewables (RES EBITDA uplift of EUR 0.6bn), RAB expansion both in Greece and Romania to EUR 6.0bn by 2027 (resulting in EBITDA uplift of EUR 200m), and to lesser extent from the more efficient conventional generation mix (phase out of lignite plants, commencement of the new CCGT, expansion in the wholesale telecom business (now targets to extend its optic fiber network to 1.5m households by 2025-end) and growing e-mobility network. In the longer term (beyond 2027e), PPC sees opportunities in the data center business, has the option (subject to the interest by international investors) to develop 300MW in two years in the lignite areas and 1.000MW capacity at a later stage.

Valuation | We continue our multiples approach to value PPC's various Business Units accordingly, as we believe it is the more appropriate given its geographic expansion, its vertical integration in generation/supply distribution businesses and also its increasing contribution from the RES. In more detail, after applying explicit multiples on the expected 2025e EBITDA contribution from each segment, we yield a group EV of 15.37bn; after deducting the expected group Net Debt for 2025e of EUR 6.7bn and also the Market value of minorities (49% stake in HEDNO), we derive a target price of EUR 19.70/share (65% upside, 'Buy' recommendation). Compared to peers, PPC appears deeply undervalued in 2025-26e EV/EBITDA (trades at a 32-40% discount), and notably, PPC's superior EPS growth leads to a deepening P/E discount going forward.

Share Price (EUR)	14.69
Target Price (EUR)	19.70
Rating	Buy
Mkt Cap (m)	5,340
Free float	41.0%

PPC vs. Greece ATHEX Composite



The company

PPC is the incumbent electric utility in Greece with a c.35% market share in generation and c.50% market share in retail. PPC operates also the distribution network. The company is in the process of a major transformation accelerating the lignite phase out by 2026 and targeting at an installed capacity of 5.5 GW RES by end-2026.

Earning drivers

PPC targets recurring EBITDA of more than EUR 2.3bn in 2026 and EUR 3.0bn by 2030 from c.EUR 1.5bn in 2023 (25% CAGR) which we believe is achievable due to increasing contribution from RES and foreign countries.

Retail EBITDA appears resilient in medium-term due to tariff restructuring and sales mix.

Valuation

Targeted EV/EBITDA Valuation implies a 45% upside (TP: EUR19.70/share)

Triggers

RES expansion, expansion in Romania and the neighbouring markets, entrance in the Telecom wholesale market.

PPC – Key Group and divisional estimates

Key market assumptions	2025e	2026e	2027e
Domestic demand volume (GWh)	56.2	57.4	58.6
PPC domestic sales volume (GWh)	26.6	26.6	26.9
Domestic market share (%)	47.3%	46.4%	45.9%
Romania sales volume (GWh)	70.3	70.3	70.3
Romania market share (%)	18.0%	18.0%	18.0%
Total Revenues (EUR m)	10,461	10,962	10,702
PPC generation mix (GWh)	2025e	2026e	2027e
Lignite	1.7	0.9	0.0
Hydro	3.8	3.8	3.8
Natural gas	6.6	6.6	6.6
RES (incl. storage)	6.6	9.9	13.7
Oil	2.5	2.3	2.4
PPC EBITDA breakdown	2025e	2026e	2027e
Distribution (Greece and Romania)	785	815	892
RES (Greece & Intl)	414	602	796
Supply (Greece & Intl)	432	585	622
Hydros	290	290	290
Thermal generation	84	126	126
PPC integrated margin (ex. RES)	807	1001	1038
PPC Group EBITDA	2006	2418	2726
Revenues	10,562.4	10,962.3	10,702.0
EBITDA adj.	2,005.8	2,417.6	2,725.9
Net profit	469.9	704.3	887.8
EPS	1.27	1.91	2.40
DPS	0.57	0.86	1.08
FCF	-1,581.9	-1,234.9	-207.5
FCFE	-1,788.6	-1,454.5	-449.3
Valuation Ratios	2025f	2026f	2027f
P/E adj.	11.1x	6.5x	5.4x
EV/EBITDA adj.	5.6x	5.3x	5.1x
P/BV	1.1x	1.0x	0.8x
FCF yield	-42.5%	-35.8%	-9.2%
Dividend yield	4.8%	7.2%	8.6%
ROIC	4.2%	4.2%	4.6%
Net Debt/EBITDA adj.	3.3x	3.5x	3.3x

Capacity additions and Lower Financials drive Upgrades

Investment case | After an exceptionally strong performance in 2021-24, the stock seems to stagnate over the trailing twelve months, despite the +30% y-t-d gains of the Athens Stock Exchange and most importantly the improved short- and longer-term outlook of the Company: a) energy transition and electrifications support demand for various types of cables for the next decade (according to the EU grid action plan, EU needs to invest an estimated EUR 530-540bn in electricity grids in the coming years, averaging EUR 77bn annually, to modernize and expand its infrastructure; EUR 328bn in investment is required in electricity grids in Germany by 2045; b) the major expansion of the sophisticated subsea cable plant in Corinth, Greece is complete as planned and the new capacity is gradually ramping up, c) the expansion of land cables production capabilities in Thiva & Eleonas plants in Greece are approaching completion, d) the new Concrete Weight Coating (CWC) plant of steel pipes segment in Thisvi, Greece is completed and already operating, e) US plant construction is expected to commence in 2H25 and completed in 2 years and f) interest rates and net debt have significantly de-escalated, offering a significant relief from financial expenses, and thus further supporting Bottom line. That said, we add Cenergy among our top-picks for the remainder of the year.

Earnings Update | Following a strong start to the year in 1Q25, (EBITDA and Net Profits jumped by 39% and 74% y-o-y respectively), we see that the strong earnings momentum will continue in 2025-26e, mainly driven by cables (also on higher share of the higher-margin energy projects in total sales) and to lesser extent by the pipes segment, (margins in pipes segment continue improving), driving group EBITDA to the high end of the management guidance of EUR 300-330m for 2025e, further up to EUR 375m in 2026e (close to the Company medium-term guidance of EUR 380-420m), and up to EUR 440m by 2027-28e (with the gradual contribution from the US plant), exhibiting a 4-year CAGR of +13%. Regarding Net Profits, also aided by lower financials, we see them up to 269m by 2028e (18% 4-year CAGR).

DPS, FCF & Net Debt | We see a temporary spike in Net Debt to EUR 330.9m in 2025e (from EUR 152m in 2024) due to increased capex needs of EUR 142.5m and negative WC movement of EUR 163m, before it settles to EUR 274m and EUR 180m in 2026e-27e (Net Debt <0.5x). Finally, with respect to dividends, assuming a 1/4 payout ratio, we expect Cenergy to gradually increase its payouts to EUR 0.26/share and EUR 0.30/share for FY25/26e, aided by increased profitability.

Share Price (EUR)	10.66
Target Price (EUR)	14.00
Rating	Buy
Mkt Cap (m)	2,209
Free float	25.5%



The company

Founded in 2016, Cenergy Holdings is a leading industrial group active in the production of cables and steel pipes, with a focus on value added products for the energy market. Cenergy's customer base includes some of the largest energy groups in the world.

Valuation

We continue valuing Cenergy based on a sum-of-the parts exercise of its two separate divisions using 2-stage DCF models, assuming 1% terminal growth and 8.8% WACC, which returns a EUR 14.0/share TP (40.6% upside compared to current levels). The majority of the value is derived from the cables division (EUR 10.4/share, and EUR 3.6/share from CPW). Despite the +30% y-t-d ATHEX rally, CH has gained only +6% y-t-d and trades flat y-o-y. Consequently, CH currently trades at a deep discount of 33% in P/E terms (on our numbers). Notably, Cenergy would still trade at a P/E discount on the implied by our valuation share price (TP at EUR 14.0/share), despite its superior growth prospects.

Triggers

Large expansion projected in global offshore wind projects, land-based grid expansion and modernization and submarine interconnections. IPTO's investment programme for the interconnection of the islands to the mainland. Cable projects in the US, capacity upgrades in Greece.

Cenergy <CENERr.AT / CENER GA>

Forecasts Revisions-Sales

EUR m	2025e	2026e	2027e	2028e
Cables Sales - New	1515.1	1725.7	1825.7	2043.1
<i>Change YoY</i>	<i>24%</i>	<i>14%</i>	<i>6%</i>	<i>na</i>
Cables Sales - Old	1576.4	1739.0	1863.4	-
<i>New vs Old</i>	<i>-4%</i>	<i>-1%</i>	<i>-2%</i>	<i>na</i>
Pipes Sales-New	577.4	606.3	612.3	618.5
<i>Change YoY</i>	<i>-2%</i>	<i>5%</i>	<i>1%</i>	<i>1%</i>
Pipes Sales-Old	720.4	742.0	764.2	-
<i>New vs Old</i>	<i>-20%</i>	<i>-18%</i>	<i>-20%</i>	<i>na</i>
Group Sales-New	2092.5	2332.0	2438.1	2661.5
<i>Change YoY</i>	<i>15%</i>	<i>11%</i>	<i>5%</i>	<i>9%</i>
Group Sales-Old	2296.8	2481.0	2627.7	-
<i>New vs Old</i>	<i>-8.9%</i>	<i>-6.0%</i>	<i>-7.2%</i>	<i>na</i>

Forecasts Revisions-Profitability

EUR m	2025e	2026e	2027e	2028e
Cables EBITDA - New	241.0	277.1	313.8	337.5
<i>Change YoY</i>	<i>34%</i>	<i>15%</i>	<i>13%</i>	<i>8%</i>
Cables EBITDA - Old	238.7	276.8	305.9	-
<i>New vs Old</i>	<i>1%</i>	<i>0%</i>	<i>3%</i>	<i>na</i>
Pipes EBITDA-New	92.3	97.5	99.1	100.7
<i>Change YoY</i>	<i>-2%</i>	<i>6%</i>	<i>2%</i>	<i>2%</i>
Pipes EBITDA-Old	73.5	76.4	79.5	-
<i>New vs Old</i>	<i>26%</i>	<i>28%</i>	<i>25%</i>	<i>na</i>
Group EBITDA-New	333.3	374.6	412.9	438.2
<i>Change YoY</i>	<i>22%</i>	<i>12%</i>	<i>10%</i>	<i>6%</i>
Group EBITDA-Old	312.2	353.2	405.4	-
<i>New vs Old</i>	<i>7%</i>	<i>6%</i>	<i>2%</i>	<i>na</i>
Group Net Income-New	194.9	223.6	244.6	269.3
<i>Change YoY</i>	<i>40%</i>	<i>15%</i>	<i>9%</i>	<i>10%</i>
Group Net Income-Old	159.2	195.7	226.3	-
<i>New vs Old</i>	<i>22.4%</i>	<i>14.2%</i>	<i>8.1%</i>	<i>na</i>

Cenergy Holdings

Forecasts	2023	2024	2025f	2026f	2027f	2028f	CAGR 2024-28e
Revenues	1,627.7	1,796.4	2,092.5	2,332.0	2,438.1	2,661.5	10%
EBITDA	199.2	276.2	330.5	374.6	413.9	440.2	12%
EBITDA adj.	213.8	272.1	330.5	374.6	412.9	438.2	13%
Net profit	73.0	139.4	194.9	223.6	244.5	269.2	18%
EPS	0.38	0.66	0.92	1.05	1.15	1.27	18%
DPS	0.08	0.14	0.18	0.26	0.30	0.38	28%
Valuation Ratios	2023	2024	2025f	2026f	2027f	2028f	
P/E adj.	17.2x	14.4x	10.9x	9.5x	8.7x	7.9x	
EV/EBITDA adj.	7.5x	7.8x	7.3x	6.3x	5.5x	4.8x	
P/BV	3.1x	2.8x	3.1x	2.4x	2.0x	1.7x	
DY	1.2%	1.5%	1.8%	2.6%	3.0%	3.8%	
Net debt/EBITDA	1.8	0.6	1.0	0.7	0.4	0.1	

AVAX <AVAXr.AT / AVAX GA>

Historic high Backlog, healthy margins at a discount

Massive Earnings Upgrades | We project sales CAGR of 18% over 2023-2027e, EBITDA CAGR of 14% and recurring net profit CAGR of 55%. Improved margins in the Construction segment is the key driver for our Group Profitability, (Group 2025e EBITDA and Net profits are now seen at EUR 96.5m and EUR 45m). The strong expected profitability is expected to support both the further deleverage efforts of the Company (we estimate Net Debt/EBITDA down to 1.9x by 2026e from 5.8x in 2022) and also the shareholders remuneration (we see DPS up to EUR 0.09 in 2025e from EUR 0.08 for FY24).

1Q25 points at a surprisingly strong 2025 | AVAX released a strong set of 1Q25 Results. In more detail, Revenue shaped at EUR 177.7m, up by 23% y-o-y, EBITDA at EUR 26.2m, also up by 6.1% with the respective margin at 14.8% (vs. 17.1% a year ago) and Net Profit at EUR 11.9m, up by 47% y-o-y. Net Debt / EBITDA ratio at rose slightly at 31/3/2025 to 2.38x versus 2.25x on 31.12.2024, and by EUR 16.9m in absolute terms. Finally, Backlog in June 2025 stands at EUR 3bn from EUR 3.2bn at the end of 2024. As a reminder, AVAX has already declared EUR 0.07/share dividend for 2024 (DY: 3.4%, ex-date: 2 September).

Valuation | We reiterate our Buy rating on AVAX with higher TP25e of EUR 3.03/share, implying a hefty potential upside of 69%. We value AVAX using a sum of the parts model, based on a DCF model with explicit forecasts for 2024-31e for the construction segment, we use DDM for the concessions portfolio, and also BV of the other assets. Despite the 18% y-t-d stock rally, AVAX trades at a material discount vs. EU peers, at 6.2x/5.3x P/E and EV/EBITDA for 2025e.

Forecasts	2025f	2026f	2027f
Revenues	740,026	780,327	749,693
EBITDA	96,514	103,632	102,264
Adj net profit*	44,997	54,099	56,160
Adj. EPS*	0.31	0.37	0.39
DPS	0.09	0.11	0.12
Valuation Ratios	2025f	2026f	2027f
P / E (x)	6.2x	5.3x	4.8x
P / BV (x)	1.2	1.0	0.9
EV / EBITDA (x)	5.3x	4.6x	4.1x
Net Debt/EBITDA	2.3x	1.9x	1.4x
Div. Yield (%)	5.2%	6.3%	6.5%
Share Price (EUR)			2.22
Target Price (EUR)			3.03
Rating			Buy
Mkt Cap (m)			326
Free float			48%

AVAX vs. Greece ATHEX Composite



AVAX <AVAXr.AT / AVAX GA>

Forecasts	2025f	2026f	2027f
Revenues	740,026	780,327	749,693
EBITDA	96,514	103,632	102,264
Adj net profit*	44,997	54,099	56,160
Adj. EPS*	0.31	0.37	0.39
DPS	0.09	0.11	0.12
Valuation Ratios	2025f	2026f	2027f
P / E (x)	5.8x	4.8x	4.6x
P / BV (x)	1.2	1.0	0.9
EV / EBITDA (x)	5.0x	4.4x	3.9x
Net Debt/EBITDA	2.3x	1.9x	1.4x
Div. Yield (%)	5.2%	6.3%	6.5%

Group forecast changes for 2025e-2027e

EUR m	2025e	2026e
Sales New	740,026	780,327
Sales Old	730,026	770,327
Change	1.4%	1.4%
y-o-y	13.9%	5.4%
EBITDA New	96,514	103,632
EBITDA Old	76,709	84,176
Change	25.8%	23.1%
y-o-y	4.7%	7.4%
Net Income New	46,773	55,876
Net income Old	42,478	49,737
Change	10.1%	12.3%
y-o-y	15.6%	19.5%

Share Price (EUR)	1.95
Target Price (EUR)	3.03
Rating	Buy
Mkt Cap (m)	
Free float	48%

AVAX vs. Greece ATHEX Composite



The company

Company Description: AVAX is one of the largest three domestic construction companies, with a long and successful track record in various landmark infrastructure projects in Greece (Athens Metro, national road network, Attiki ring road, Rio-Antirrio bridge etc) and also abroad. Additionally, the group is also active in the concessions sector, mainly through participations, which improves the visibility of its future cash flows. Finally, the Group is present in the energy sector, with emphasis on energy industrial projects, (EPC of power generation, LNG plants and other projects).

Valuation

At c.6.2x 2025e P/E the stock trades in deep discount vs local and EU peers.

Triggers

Additional contracts on good margins

Important Disclosures

Disclosure Appendix

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Optima bank Research Department Rating Distribution | Data current as of 07/07/2025

Recommendation System is **Absolute**: Each stock is rated on the basis of a total return, measured by the upside over a 12month time horizon

	Buy > 10%	Neutral -5% to +10%	Sell < -5%	Under Review Suspended	Restricted
Total Coverage	75%	15%	0%	10%	0%
% of companies that are IB clients	0%	0%	0%	0%	0%

Important Disclosures

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8. On July 31, 2019, Motor Oil's Cyprus based wholly owned subsidiary under the legal name IREON INVESTMENTS LTD completed the acquisition of 97.08% stake in the share capital of Optima bank S.A. (former Investment Bank of Greece S.A.), 94.52% stake in the share capital of CPB Asset Management A.E.D.A.K. and 100% stake in the share capital of Laiki Factors and Forfaiters S.A.
9. Following the sale and transferring of shares from IREON INVESTMENTS LTD to numerous third parties in multiple dates since the initial acquisition, and Optima bank's subsequent EUR 80m share capital increase, in which IREON INVESTMENTS did not participate, the participation of IREON INVESTMENTS LTD in OPTIMA BANK S.A. as of January 19, 2021 was reduced to a percentage lower than 15%.

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