



**CONDENSED INTERIM
CONSOLIDATED FINANCIAL
INFORMATION
FOR THE PERIOD ENDED**

30 September 2021

In accordance with International Accounting Standard 34

(as adopted by the E.U.)

The Condensed Interim Consolidated Financial Information for the nine month period of 2021, as well as the notes attached, have been approved by the Board of Directors at the meeting held on 28 December 2021 and have been posted on the Bank's website.

Athens, 28 December 2021

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THE BOARD OF
DIRECTORS

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EXECUTIVE OFFICER

THE C.F.O.

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Interim consolidated income statement

		Group			
		From 1st January to		From 1st July to	
(Amounts in thousand €)	Note	30.09.2021	30.09.2020	30.09.2021	30.09.2020
Interest and similar income		60,156	68,885	14,750	24,318
Less: Interest expense and similar expenses		(24,761)	(30,620)	(8,139)	(9,681)
Net interest income	7	35,395	38,265	6,611	14,637
Fee and commission income		11,420	9,088	4,784	3,615
Less: Fee and commission expense		(7,718)	(6,648)	(3,090)	(2,504)
Net fee and commission income	8	3,701	2,439	1,693	1,112
Profit / (loss) from financial transactions		(1,520)	1,852	(230)	419
Profit / (loss) from investment portfolio	10	(1,063)	10,774	3,757	4,085
Other income / (expenses)		2,247	1,888	578	649
Operating income		38,762	55,218	12,410	20,900
Personnel expenses	9	(25,229)	(26,019)	(7,846)	(8,461)
General operating expenses	9	(15,013)	(13,183)	(6,073)	(5,140)
Depreciation expense	9	(10,616)	(9,889)	(3,583)	(3,489)
Total operating expenses		(50,858)	(49,092)	(17,503)	(17,090)
Profit / (Loss) before tax and provisions		(12,096)	6,127	(5,092)	3,811
Provisions for expected credit losses and other impairment	14	(7,572)	(37,896)	(2,169)	(10,060)
Impairment charge for other assets	9	(250)	(1,258)	0	2
Staff leaving expense	9	(212)	(1,172)	(4)	0
Results from investments in associates		319	420	0	3
Profit / (loss) before income tax		(19,811)	(33,779)	(7,265)	(6,245)
Less: income tax	11	(7,052)	(1,884)	(102)	128
Profit / (loss) for the period		(26,863)	(35,664)	(7,367)	(6,116)
Attributable to:					
Equity owners of the Bank		(26,863)	(35,664)	(7,367)	(6,116)
Basic and diluted earnings / (losses) per share (in €)	12	(0.0591)	(0.0773)	(0.0164)	(0.0133)

Interim consolidated statement of comprehensive income

(Amounts in thousand €)	Group			
	From 1st January to 30.09.2021	30.09.2020	From 1st July to 30.09.2021	30.09.2020
Profit / (Loss) for the period after income tax recognized in the Income Statement	(26,863)	(35,664)	(7,367)	(6,116)
<i>Amounts that may be reclassified in the income statement</i>				
<u>Financial assets at Fair Value through Other Comprehensive Income (FVOCI)</u>				
Change in fair value (before tax)	(177)	(2,719)	1,442	(3,630)
Transfer to Income Statement (before Tax)	2,040	(3,167)	0	(27)
<i>Income Tax</i>	(540)	1,707	(418)	1,060
<i>Amounts that will not be reclassified in the Income Statement</i>				
Actuarial gains / (losses) on defined benefit obligations	61	(347)	0	0
<i>Income Tax</i>	(18)	101	0	0
Total other comprehensive income / (expenses) recognized directly in equity, after income tax	1,366	(4,426)	1,024	(2,596)
Total comprehensive income / (expenses), after income tax	(25,497)	(40,089)	(6,343)	(8,713)
<u>Attributable to:</u>				
Equity owners of the Bank	(25,497)	(40,089)	(6,343)	(8,713)

Interim consolidated statement of financial position

(Amounts in thousand €)

(Amounts in thousand €)		Group	
Assets	Note	30.09.2021	31.12.2020
Cash and balances with Central Bank		296,207	173,778
Due from other financial institutions		41,036	52,359
Derivative financial instruments - assets		282	185
Loans and advances to customers (net of impairment)	14	1,294,398	1,600,946
Investment securities	13	583,624	981,061
Investments in associates	16	4,693	4,323
Tangible assets	19	41,551	47,831
Investment property		56,706	56,704
Intangible assets	18	61,424	57,673
Deferred tax assets	11	261,931	421,357
Assets held for sale	17	696,916	30
Other assets		165,191	183,302
Total Assets		3,503,961	3,579,549
Liabilities			
Due to financial institutions	20	264,346	401,177
Due to customers	21	2,877,199	2,801,439
Debt securities in issue	22	99,820	99,781
Defined benefit obligations		9,357	9,727
Other provisions		24,351	23,917
Other liabilities		47,825	36,818
Total Liabilities		3,322,898	3,372,859
Equity			
Share capital (common shares)	23	1,538	138,376
Reserves	23	762,383	472,502
Retained earnings	23	(582,858)	(404,189)
Equity attributable to equity owners of the Bank		181,063	206,689
Total Equity		181,063	206,689
Total Liabilities and Equity			
		3,503,961	3,579,549

Interim consolidated statement of changes in equity

Group

(Amounts in thousand €)	Share capital (common shares)	Other reserves	Reserves	Retained earnings	Total equity
Balance 01.01.2020	138,376	(35,762)	484,513	(93,045)	494,081
Results for the period				(35,664)	(35,664)
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		(2,719)			(2,719)
Financial assets measured at fair value through other comprehensive income (FVOCI): net amount transferred to profit or loss		(3,167)			(3,167)
Actuarial gains / (losses) on defined benefit obligations		(347)			(347)
Disinvestment in subsidiary			(162)	162	0
Income Tax		1,808			1,808
Total comprehensive income/(expense), after income tax	0	(4,426)	(162)	(35,502)	(40,089)
Balance 30.09.2020	138,376	(40,188)	484,351	(128,547)	453,992
Movements up to 31.12.2020	0	28,339	0	(275,641)	(247,303)
Balance 31.12.2020	138,376	(11,849)	484,351	(404,189)	206,689

Group

(Amounts in thousand €)	Share capital (common shares)	Other reserves	Reserves	Retained earnings	Total equity
Balance 01.01.2021	138,376	(11,849)	484,351	(404,189)	206,689
Results for the period				(26,863)	(26,863)
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		(177)			(177)
Financial assets measured at fair value through other comprehensive income (FVOCI): net amount transferred to profit or loss		2,040			2,040
Actuarial gains / (losses) on defined benefit obligations		61			61
Income Tax		(558)			(558)
Disinvestment in subsidiary			0	48	48
Total comprehensive income/(expense), after income tax	0	1,365	0	(26,815)	(25,449)
Cancellation of treasury shares		(97)			(97)
Share capital reduction for the creation of special reserve	(136,839)		136,839		0
Special reserve creation based on article 27A of L.4172/2013			151,854	(151,854)	0
Warrants redemption rights			(81)		(81)
Balance 30.09.2021	1,538	(10,580)	772,964	(582,858)	181,063

Interim consolidated statement of cash flows

(Amounts in thousand €)	Group	
	From 1st of January to 30.09.2021	30.09.2020
Cash flows from operating activities		
Interest and similar income received	64,051	45,470
Interest expense paid	(22,674)	(25,263)
Dividends received	181	38
Commission received	11,752	8,975
Commission paid	(7,718)	(6,648)
Profit from financial transactions	(165)	617
Other income	2,831	2,374
Cash payments to employees and suppliers	(39,628)	(38,521)
Taxes received / (paid)	151,933	0
Cash flows from operating activities before changes in operating assets and liabilities	160,564	(12,958)
Changes in operating assets and liabilities		
Net (increase) / decrease in financial assets measured at fair value through profit or loss (FVPL)	(116,956)	(10,568)
Net (increase) / decrease in loans and advances to customers	298,579	(33,691)
Net (increase) / decrease in other assets	(682,717)	6,037
Net increase / (decrease) in amounts due to financial institutions	(136,832)	68,844
Net increase / (decrease) in amounts due to customers and similar liabilities	75,760	44,915
Net increase / (decrease) in other liabilities	8,991	(8,412)
Total changes in operating assets and liabilities of the statement of financial position	(553,176)	67,124
Total changes in operating assets and liabilities of the statement of financial position	(392,611)	54,166
Cash flows from investing activities		
Purchases of intangible assets	(9,757)	(8,738)
Purchases of tangible assets	(247)	(1,517)
Purchase of financial assets measured at fair value through other comprehensive income (FVOCI)	(131,791)	(432,852)
Sales / redemptions of financial assets measured at fair value through other comprehensive income (FVOCI)	691,399	485,942
Purchase of financial assets measured at amortised cost	(85,926)	(59,927)
Maturity of financial assets measured at amortised cost	40,011	0
Investment in subsidiaries	0	1,409
Investment in associates	28	500
Result from sale of subsidiary	0	(1,481)
Net cash flow from investing activities	503,718	(16,664)
Cash flow from financing activities		
Net cash flow from financing activities	0	0
Net increase / (decrease) in cash and cash equivalents	111,106	37,503
Cash and cash equivalents at the beginning of the period	226,137	205,534
Cash and cash equivalents at the end of the period	337,243	243,037

1. General Information

The Attica Bank A.E. Group, ("the Group"), operates mainly in the financial sector, providing a wide range of financial and banking services to individuals and companies.

The Attica Bank Group, besides the parent company, includes one (1) subsidiary and one (1) associated companies, which operate in Greece and has 726 employees as at 30.09.2021. The number of Bank's branches as at 30.09.2021 is 50.

The parent company of the Group is Attica Bank A.E., (the "Bank"). "Attica Bank A.E." is a société anonyme with General Commercial Number 255501000 (ex-Registration Number (ARMAE) 6067/06/B/86/06). The Bank is listed in the Athens Stock Exchange. The address of the Bank's registered office is 23, Omirou Street, Postal Code 106-72, Athens.

The condensed consolidated financial statements (the "financial statements") have been approved for issue by the Board of Directors on 28th December 2021.

The Board of Directors of the Bank that approved the financial statements of the Bank as at 30 September 2021 consists of:

Konstantinos G. Makedos	Chairman of Board of Directors, non-executive member
Konstantinos An. Tsagaropoulos	Vice-Chairman of Board of Directors, non-executive member
Theodoros N. Pantalakos	Chief Executive Officer, executive member
Alexios D. Pelekis */***	Non-executive member
Elias I. Betsis **/**	Non-executive member
Sotirios G. Karkalakos **/**	Independent non-executive member
Christos – Stergios M. Gklavanis */**	Independent non-executive member
Chariklia Vardakari ***	Independent non-executive member
Venetia Kousia **	Independent non-executive member
Avraam Moissis	Non-Executive member - representative of the Hellenic Financial Stability Fund

Based on the announcement of 27th April, the Board of Directors, following the announcement of 31.03.2021 regarding the cease of reliance on the provisions of L.3723/2008 «The strengthening of the liquidity of the Economy, for offsetting the impact of the international financial crisis» and on the guarantees of Pillar II, the Board of Directors on its meeting of 27.04.2021 ascertained, in accordance with article 2 of L.3723/2008 and the Government Gazette Y.O.D.D. 965/18.11.2019, the expiration of the term of office of the representative of the Greek State to the Board of Directors of the Bank as an additional member. The Bank during the meeting of the Board of Directors of July 15, 2021, elected as new independent members of the Board of Directors Mrs. Chariklia Vardakari and Venetia Kousia to replace the remaining two (2) of those who resigned, during the meeting of the Board of Directors. of 30.11.2020, independent non-executive members of the Board of Directors. It is noted that during the same meeting, Mr. Ioannis Tsakirakis resigned both from a member of the Board of Directors and from the position of Deputy CEO of the Bank. Finally, the Bank elected, following the suggestion of the Hellenic Financial Stability Fund, as a new non-executive member of the Board Mr. Avraam Moissis of Ezra, as a representative of the Hellenic Financial Stability Fund in accordance with the provisions of law 3864 / 2010 and its rights. This election is valid pursuant the provisions of law 3864/2010 and the indication of the Fund is maintained and in any case until the end of the term of the present Board of Directors. The tenor of the Board of Directors remains three years, as approved by the 02.09.2020 decision of the General Assembly of the Shareholders.

The Bank's share, apart from the Athex Composite Share Price Index, is also included in the following indices of the Athens Stock Exchange: Athex All Share Index (DOM), FTSE/ASE-CSE Banking Index, FTSE/ASE Banks, FTSE/ASE Mid Cap Index and FTSE/ASE Market Index and Performance Index (SAGD).

* Member of the Audit Committee

** Member of the Nomination and Remuneration Committee

*** Member of the Risk Committee

2. Basis of Preparation

(2.1) Statement of preparation

The Condensed Interim Financial Information for the nine month period of 2021 have been prepared in accordance with International Financial Reporting Statements (IFRS) as adopted by the E.U. and must be reviewed in conjunction with the published annual financial statements for the year ended 31 December 2020. Those accounting policies, which are applicable from 01.01.2021 are presented in note 2.3. The amounts included in these Condensed Interim Financial Information are expressed in thousand euro, unless otherwise indicated in the respective notes. Comparative figures are adjusted, where necessary, to match the changes in the current period presentation.

Basis of preparation of Condensed Interim Consolidated Financial Information

(2.2) Going concern

The Group applied the going concern principle for the preparation of the financial statements as at 30.09.2021. For the application of this principle, the Group takes into consideration the current economic developments arisen in the economic environment due to the pandemic and has evaluated all the risks deriving from the quality of the assets, in order to form projections, in the foreseeable future (at least 12 months from the approval date of the financial statements) for trends and the economic sentiment of the environment in which it operates. In this context, the Management examined the following areas which are considered crucial for the evaluation of the going concern principle:

Macroeconomic Environment

According to the data of the Greek Statistical Authority, the growth rate of the Greek economy for the year 2020 slowed down by 7.8%, 2.7 percentage points lower than the targeted recession of 10.5% based on the 2021 budget. For the second quarter of 2021, according to the data published by ELSTAT on 07.09.2021, GDP showed an increase of 16.2% compared to the corresponding quarter of 2020, while compared to the first quarter of 2021 the increase amounted to 3.4%. The Management of the Bank monitors the current developments and the most recent announcements regarding the projections for the effect of COVID – 19 pandemic in the GDP variance for the year 2021.

The expected access to the funds of the European Recovery and Resilience Facility (RRF), from the second half of 2021, will significantly enhance the potential growth of the country. Investments that are expected to be made will be mainly directed at green and digital development. During the period 2021-2026, Greek economy is expected to strengthened with 30.5 billion euros, of which 17.8 billion euros relate to grants and 12.7 billion euros relate to loans on favorable terms. Especially for 2021, according to 2021 Budget, it is expected to receive, in the form of grants, of approximately 2.6 billion euros from the Recovery and Resilience Mechanism and 1.6 billion euros from the REACT-EU initiative, as well as 1,3 billion euro in the form of loans.

An important event is the upgrade at the end of April 2021 by the credit rating agency S&P Global Ratings, of Greece's debt to BB from BB- and the improvement of prospects of the Greek economy from "stable" to "positive". The rating agency predicts that the Greek economy now presents strong growth prospects, with rates that are expected to exceed the European average in the next three years.

COVID – 19 pandemic

At the end of February 2020, the pandemic of the SARS – CoV – 2 virus appears in Greece. During the first fifteen days of March, the World Health Organization declares COVID – 19 as pandemic, with the Greek Government gradually setting the country up to end of April to temporary lockdown, as far as the transportation and the companies' operation are concerned. Restrictions on the companies operation and transportation were in place at various intervals until the end of 2020.

The critical effects of the pandemic of COVID – 19 have been mitigated by the support measures of the banking sector for the postponement of the loan installments and from the incentive provided by the Greek Government.

Furthermore, ECB on its turn announced the following support measures for the European Banks:

On 12 March 2020, ECB announced the easing of conditions for targeted longer-term refinancing operations (TLTRO III) and more specifically: a) Interest rate on TLTRO III is reduced by 25 basis points and can be as low as 25 basis points below average deposit facility rate during period from June 2020 to June 2021 for all TLTRO III operations outstanding during that period, b) Borrowing allowance raised to 50% of eligible loans, c) Lending performance threshold reduced to 0%.

On 12 March 2020, ECB announced measures to support bank liquidity conditions and money market activity.

On 18 March 2020, ECB announced the launch of a new temporary asset purchase programme of private and public sector securities to counter the serious risks to the monetary policy transmission mechanism and the outlook for the euro area posed by the outbreak and escalating diffusion of the coronavirus, COVID-19. This new Pandemic Emergency Purchase Programme (PEPP) will have an overall envelope of €750 billion. Purchases will be conducted until the end of 2020 and will include all the asset categories eligible under the existing asset purchase programme (APP). Furthermore, it is explicitly mentioned that a waiver of the eligibility requirements for securities issued by the Greek government will be granted for purchases under PEPP. Finally ECB with its decisions will ease the collateral standards by adjusting the main risk parameters of the collateral framework and more particularly will expand the scope of Additional Credit Claims (ACC) to include claims related to the financing of the corporate sector.

Additionally, ECB announced a series of measures in the context of the treatment of the financial impacts from the spread of coronavirus, so for the Banks to continue to fulfill their role in financing the real economy. More specifically, ECB will allow the Banks to temporarily operate below the capital level as defined by the requirements of Pillar 2 guidance, the capital conservation buffer and the liquidity coverage ratio. Furthermore, Banks will also be allowed to partially use capital instruments that do not qualify as Common Equity Tier 1 (CET1) capital to meet the Pillar 2 Requirements (P2R).

On 4th May 2020 the gradual lift of the control of financial activity, taken as a result of the pandemic, began, which is expected to contribute to the control of the financial implication in conjunction with the health developments as far as the COVID – 19 phenomenon is concerned.

On 4th June 2020, ECB's governing council decided the further increase of the Pandemic Emergency Purchase Program's (PEPP) budget from 750 billion euros to 1.35 trillion euros. This expansion of PEPP will further ease the general monetary policy stance, supporting funding conditions in the real economy, especially for businesses and households, as a response to the pandemic-related downward revision to inflation over the projection horizon. Simultaneously, the horizon for net purchases under the PEPP will be extended to at least the end of June 2021. In any case, the Governing Council will conduct net asset purchases under the PEPP until it judges that the coronavirus crisis phase is over.

Finally, in the extraordinary meeting of the European Council (17 – 21 July 2020) and in the context of the handling of this first seen crisis, it was decided to authorize the European Commission to borrow funds in the name of the European Union from the capital markets up to the amount of 750 billion euros with a maturity up to 2058 for the management of the challenges of COVID – 19. The amount corresponding to the Greek State stands at 70 billion euros approximately.

Within 2021 pandemic continues, with the response to the virus mutations, the successful continuation of the vaccination program and the normalization of social and business activity to be the major issues in the effort to halt the economic and health impact of the pandemic. At this stage, restrictions on economic activity are not considered significant, but the evolution of the pandemic, especially in the last quarter of this year, is an important factor in the evolution of key figures of the economy.

It should be noted that COVID – 19 pandemic continues to create uncertainty, while on the foreseeable period its financial effects are expected to negatively affect the borrowers' capability to repay their debts. The significant fiscal support provided by the Greek Government is expected to partially offset the negative effects of the recession. More specifically, according to the projections of the Government Budget of 2021, the 2020 recession could reach up to 17.5% (support measures of 7% of GDP) without taking into account the fiscal interventions. Furthermore, from the growth rate anticipated for 2021, 2.5% is attributed to the extension of fiscal support measures and the 2.1% on the Recovery and Resilience Fund. Under the Recovery and Resilience Fund program, approved by the European Commission on 17 June 2021, the main pillars of investment and reform that are expected to have a significant impact on Greece's transformation program concern: 1) the green transition, 2) the digital transition, 3) measures to support and enhance employment as well as the digital reform and strengthening of the public administration. In this context, on 9 August 2021, the European Commission approved the disbursement of final funding to Greece amounting to 4 billion. euro, an amount that corresponds to 13% of the approved plan submitted by the Greek Government in the context of the funding it will receive from the Recovery and Sustainability Fund.

Liquidity

Regarding the Group's liquidity levels it is noted that as at 30.09.2021 the total deposits both from interbank market and from customers increasing by 2.7% compared to 31.12.2020. It should be noted that the Group starting from 31.03.2021 ceased to rely on the provisions of L.3723/2008 «The strengthening of the liquidity of the Economy, for offsetting the impact of the international financial crisis» and on the guarantees of Pillar II, as a consequence of the continuous increasing liquidity of cash and cash equivalents of the Group, as a result of the expansion of both the deposit base, its presence in the interbank market and differentiated sources of liquidity.

Capital Adequacy

In the context of mitigating the consequences of the pandemic and based on the approval from the supervisory authority, the minimum threshold of the total capital adequacy ratio is 10.71%. It should be noted that prior to the implementation of the measures to mitigate the consequences of the pandemic, the minimum capital adequacy ratio was 14.21%.

The total capital adequacy ratio at 30 September 2021 amounts to 6.3%, due to the results of the nine month period of 2021.

The actions that according to the Management will lead to the restoration of the capital adequacy ratio above the supervisory ceiling and which are in progress are described as subsequently.

In addition to the above, it is noted that on 06.07.2021 the Act of the Council of Ministers was issued, which specifies the application of article 27A of law 4172/2013 and was further amended on 25.08.2021. The Bank in the implementation of the act of the Council of Ministers took all the necessary actions for the conversion of the deferred tax asset into a deferred tax credit, while on 6 August 2021 with the collection of the amount corresponding to 100% of the final and cleared tax claim against the State, ie 151,854,439.86 euros, the quality of its regulatory capital and further improves its liquidity.

At the same time, on August 12, the Board of Directors of the Bank during its meeting, in the implementation of the provisions of article 27A of law 4172/2013 ("DTC") as well as the relevant articles of the Act of the Council of Ministers 28 / 06.07.2021 took unanimously the following decision:

- The BoD has ascertained the formation of -according to the provisions of law- a special reserve, amounting to €151,854,439.86 and the collection of the aforementioned amount by the Greek State.
- The BoD has decided the issuance, at 16.08.2021, of 992,512,679 free (without remuneration) warrants in favor of the Greek State in accounting form, so as to be delivered by ownership to the Greek State by crediting them to the Securities' Account preserved by the Greek State in the General Depository System. It is noted that following to the relevant provisions, the warrants will be offered through the right of redemption to the shareholders of the Bank, then will be admitted for trading on a regulated market for a short period and then will be automatically converted into common registered shares of the Bank with a proportion one warrant per one share.

The BoD has decided that, the existing shareholders have the right to redeem these warrants in proportion to their participation in the share capital on the date of the General Meeting of 07.07.2021 with a market value of €0.1530. The existing shareholders may exercise the redemption right and pay the relevant amount during the period from 31.08.2021 to 15.09.2021 while providing pre-emption rights for the acquisition within the abovementioned deadline of unallocated warrants at a redemption price to existing shareholders and third parties.

In addition, the Board of Directors of the Bank on 26 August recommended to the Extraordinary General Meeting of the Bank, which took place on 15th September 2021, the following issues:

- Increase in the nominal value of existing ordinary registered shares from € 0.30 to € 18.00 by simultaneously reducing the total number of existing ordinary shares of the Bank by merging 60 shares into one (reverse split), and, if required for the purpose of achieving an integer number of shares, subsequent increase in the share capital of the Company by capitalizing part of existing special reserve. Corresponding amendment to Article 5 of the Bank's Articles of Association and provision of relevant authorizations to the Board of Directors of the Bank.
- Reduction of the Bank's share capital by €136,838,692.60, by reducing the nominal value of each share from €18.00 to €0.20, with the aim of the formation of a special reserve pursuant to Article 31 par. 2 of Law 4548/2018. Corresponding amendment to Article 5 of the Bank's Articles of Association and provision of relevant authorizations to the Board of Directors of the Bank. Revocation of the resolution on Item 15 of the Ordinary General Meeting of 07.07.2021 "Reduction of the share capital of the Company by an amount up to € 85,000,000.00 with a reduction of the nominal value of all its

shares, with the aim of the formation of a special reserve pursuant to Article 31 par. 2 of Law 4548/2018 and the amendment to Article 5 of the Bank's Articles of Association concerning the Share Capital".

- Supplementation / Amendment of the powers conferred at the Ordinary General Meeting of 07.07.2021 to the Board of Directors of the Bank for a resolution to increase its share capital, in order to provide, in particular, the possibility for the Board of Directors to limit or abolish the pre-emption right of the existing shareholders, in accordance with Articles 24 par. 1 and 27 par. 4 of Law 4548/2018.

Following the decision of the Ordinary General Meeting of 7th July 2021 and of the Bank's Board of Directors meeting, on 9 July 2021 as well as the relevant decisions of the Extraordinary General Meeting of 15 September 2021 and the meeting of the Board of Directors of 18 November 2021, it was decided the increase of the shareholding capital by up to 240 million euros with the issue of 1.2 billion new common of a nominal value of 0.20 euro each (the "New Shares"), which will be issued by Attica Bank pursuant to the share capital increase through payment in cash and offered at a of 0.20 euro each with pre-emptive rights in favour of the existing shareholders of Attica Bank with a ratio of 49.5265161872259 New Shares for each one existing share of Attica Bank.

On December 21, 2021, the process of the share capital increase of 240 million euros with pre-emptive rights in favour of the existing shareholders was completed with the full coverage of the increase. This action increases the capital adequacy ratios, Total and CET1, to 12.1% and 15.6% respectively, on a pro forma level.

The Business plan 2021 – 2023 includes specific capital reinforcement measures. More specifically, the Business Plan 2021 – 2023 includes a series of action to reinforce the regulatory capital of the Bank, for the achievement of the strategic plan of the Bank, which is the doubling of the loan portfolio until the end of 2023. Among these actions are included issuances of financial instruments which are considered regulatory capital of tier I and II, along with the gradual introduction of the senior notes of the securitization to the government's asset protection scheme.

In particular, it is stated that all the required procedures are in progress on the part of the Bank for the inclusion of the senior notes of the Omega, Astir I and Astir II securitizations in the asset protection scheme "HERCULES 2".

Conclusion

The Group will continue to monitor diligently the developments of the pandemic effects on the economy, proceeding to all those necessary actions for the smooth and proper implementation of the business plan along with.

Based on the actions mentioned above, which in the estimation of the Management will lead the restoration of the capital adequacy ratio above the supervisory threshold, as well as having regard to the following:

- The reduction of the Non - Performing Exposures ('NPE') to almost zero level, following consecutive securitizations (starting from August 2017) of a total balance of approximately 3 billion euros, on a pro forma basis as at 30.09.2021, taking into consideration the NPE re-securitization ('Project Omega') and the Astir 1 and Astir 2 transactions. It should be noted that 'Omega' transaction of a total NPE perimeter of approximately 1.3 billion euros, has been approved by the Bank's BoD on 27.04.2021 and the Astir 1 and 2 transactions are in an advanced stage. For the Astir 1 and 2 transactions, the Bank has hired UBS and Euroxx. It is noted that during the current phase, is in progress the rating of the senior notes of these three securitizations, in the context of Bank's strategy for the inclusion of these securities in the state guarantee scheme,
- The low contribution (12.4%) of the loans entered in the COVID – 19 forbearance measures ('moratoria', GEFYRA program and loans provided by Hellenic Development Bank) over the total performing portfolio of the Bank which is a precursor ratio for possible new non – performing loans in the Greek market.
- The Group's liquidity levels and the expansion of the liquidity sources, along with the cancelation of the GGB bond (Pillar II) at 31st March 2021, which was used by the Group for liquidity raise purposes. In addition, during the nine month period of 2021 there has been a significant increase of the customers' deposits level (approximately 76 million euros),
- The existence of collaterals that may be used for liquidity raise from Eurosystem or other mechanisms (Note 25)

- Cost of risk normalization for loans to customers and off-balance sheet items at levels close to 0.6% on an annual basis, through the shielding of the Group's financial position through significant credit risk provisions during the year ended on 31.12.2020
- The stabilization of the operating cost of the Group on a recurring basis compared to the relevant period ended on 30.09.2020.
- The low level of Loan to Deposits ratio, which stands at 56.2% and the dynamic given towards the credit expansion of the Bank, taking into account the entry of senior notes of Astir I, Astir II and Omega securitization bonds in the asset protection scheme HERCULES 2.
- The smooth implementation of the digital transformation plan during the next 3 years and delimitation of the costs of the digital transformation of the Bank's sales process
- The recent approval of the Bank's Board of Directors for the new Business Plan 2021 – 2023, based on which a significant increase of the Bank's volume of business through a new business model with a target to double the Bank's loan portfolio by the end of 2023. It should be noted that for the financing of the Group's increase of business, the Business Plan 2021 – 2023 includes a series of actions to increase regulatory capital, including a Share Capital Increase with the aim the entry of new shareholders, an action which was successfully completed on 21.12.2021
- The announcements regarding the reliefs for the pandemic effects which are provided in the European and Greek Banks as far as the non – performing loans and their regulatory capital are concerned (Note 5),
- The activation of the provisions of the Article 27A of the L. 4172/2013, pursuant to Council of Ministers Act 28 of 6 July 2021, regarding the conversion of the deferred tax asset to deferred tax credit, which based on the current data is estimated to drive in the amelioration of the quality of the regulatory capital and in the further increase of the Bank's and Group's liquidity. Pursuant to Article 27A of Law 4172/2013, the amount of the final and cleared deferred tax assets against the Greek State amounts to 151,854,439.86 euros, which was finally received on August 6, 2021. The specific issues which concern the application procedures of this law, as described in the current legal framework, are defined based on the relevant Cabinet's Act 28 as at 6 July 2021 (Note 11),
- The immediate restoration of the Capital Adequacy Ratio through the inclusion of the senior note to be held by the Bank in the asset protection scheme for securitization's senior notes, Astir I, Astir II and Omega, "Hercules II", which will enhance the capital adequacy ratios, i.e. Total and CET1, based on the Management's current estimations.

Based on the aforementioned, the Group estimates that the going concern principle for the preparation of the financial statements is fulfilled.

(2.3) Accounting policies applicable from 01.01.2021

The accounting policies applied by the Group for the preparation of the condensed interim financial statements are in accordance with those presented in the published annual financial statements for the year ended 31.12.2020, taking into consideration the amendments of the standards and new interpretations as issued by the International Accounting Standards Board (IASB) and adopted by the European Union and applied from 01.01.2021:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (effective 1 January 2021)

In August 2020, the IASB issued "Interest Rate Benchmark Reform: Phase 2 Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16", which addresses issues that affect financial reporting once an existing rate is replaced with an alternative rate (RFR) and provides specific disclosure requirements. The Phase 2 Amendments provide key reliefs related to contractual modifications due to the reform and to the hedging relationships affected by the reform.

More specifically, the amendments introduce a practical expedient if a contractual change, or changes to cash flows, result "directly" from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate, similar to changes to a floating interest rate. A similar practical expedient will apply under IFRS 16 Leases for lessees when accounting for lease modifications required by IBOR reform.

In addition, the Phase 2 amendments permit changes required by IBOR reform to be made to hedge designations and hedge documentations without the hedging relationship being discontinued. Permitted changes include redefining the hedged risk to reference an RFR as well as redefining the description of the hedging instruments and/or the hedged items to reflect RFR.

Based on the Phase 2 amendments, when performing a retrospective hedge effectiveness assessment under IAS 39, a company may elect to reset the cumulative fair value changes of the hedged item and hedging instrument to zero immediately after ceasing to apply the Phase 1 relief on a hedge-by-hedge basis. However, actual hedge ineffectiveness will continue to be measured and recognized in full in profit or loss. The Phase 2 amendments also clarify that changes to the Financial Statements for the year ended 31 December 2020 Amounts are presented in thousand euros, unless otherwise stated 42 method for assessing hedge ineffectiveness due to the modifications required by the IBOR reform, will not result to the discontinuation of the hedge accounting.

The amendments to IFRS 4 are designed to allow insurers who are still applying IAS 39 to obtain the same reliefs as those provided by the amendments made to IFRS 9.

Consequential amendments were made by the Phase 2 Amendments to IFRS 7, to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

IFRS 4, Amendment, Deferral of IFRS 9 (effective 1 January 2021)

In June 2020, the IASB issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023, in order to align the effective dates of IFRS 9 Financial Instruments with IFRS 17 Insurance Contracts.

The amendment is not relevant to the Group's activities.

IAS 19, Final Decision of the Committee of International Financial Reporting Standards (IFRS) on the "Benefits distribution in periods of service (IAS 19) "

On May 2021, the Committee of International Financial Reporting Standards issued its final decision on the distribution of benefits during periods of service. Group evaluates the effects of the IFRS decision on the financial statements of the Group and Bank, with the adoption of the above decision to lead in a change of the existing applied accounting policy with retrospective effect. The effect of the adoption of the above decision can not be estimated reliably until a reliable actuarial study is performed.

(2.4) Accounting Estimates

The preparation of Interim Consolidated Condensed Financial Information of the Group requires the Management to make judgments, to use estimates and assumptions that effect the application of accounting policies and reported amounts of Assets and Liabilities, Income and Expense. Actual results may differ from those estimations. Regarding the principle of continuation of activity, the estimates of the Management are the same as those were adopted in the preparation of the a Annual Consolidated Financial Statements and are analyzed in note 2.2.

The significant assumptions adopted by the Group for the estimation of certain accounting figures and the sources of uncertainty affecting these estimates are consistent with those adopted in the preparation of the Annual Consolidated Financial Statements for the year ended 31 December 2020, except for the following:

- Impairment losses of financial instruments

The Group, when performing impairment tests on loans and advances to customers, makes estimates regarding the amount and timing of future cash flows. Given that these estimates are affected by a number of factors such as the financial position of the borrower, the net realizable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those estimated. Similar estimates are used in the assessment of impairment losses of investment securities measured at fair value through other comprehensive income or investment securities at amortized cost .

The Bank for the estimation of the expected credit losses uses three (3) macroeconomic scenarios, a basic, a favorable and an unfavorable, which are weighted with factors of 40%, 30% and 30% respectively. The main macroeconomic variables incorporated in the scenarios are the GDP growth rate, the evolution of the main ASE index, the unemployment rate and the growth rate of Producer Price Index (PPI). The scenarios are available from Moody's Analytics and are obtained from the Bank through its website <https://www.economy.com/products/tools/data-buffet>. The basic macroeconomic variables used by the models are the GDP variance, the evolution of the ASE index, the unemployment rate, the PPI variance, etc. The time series are examined on a regular basis (quarterly) and the Bank continues to monitor the developments and the relevant tests over the models (Bank of Greece's letter suggest that the used ECL scenario should not deviate from the basic scenario issued regularly by ECB / SSM – 2020 – 0744). For the third quarter of 2021 the Bank compared the change in GDP of the scenarios issued by Moody's Analytics versus the scenarios issued in September 2021 by the ECB for Eurozone and Ecofin for Greece, in September 2021 for the period 2021-2023. As there was not a significant deviation, Moody's Analytics forecasts were used.

The following table presents the forecast of the factors variation for the next four years, from 2021 to 2024.

	2021				2022				2023				2024			
	Basic	Optimistic	Adverse	Weighted Average	Basic	Optimistic	Adverse	Weighted Average	Basic	Optimistic	Adverse	Weighted Average	Basic	Optimistic	Adverse	Weighted Average
GDP Variance	8.5%	8.9%	6.8%	8.1%	5.3%	6.9%	0.9%	4.4%	2.4%	3.8%	3.2%	3.1%	2.2%	1.9%	3.1%	2.4%
ASE	919.38	979.03	682.79	866.30	984.38	1129.97	633.64	922.84	1034.45	1145.15	861.15	1015.67	1064.00	1136.67	967.27	1056.78
Unemployment rate	14.09	14.03	14.44	14.18	13.21	13.00	16.59	14.16	13.08	12.82	17.86	14.44	13.06	12.97	16.91	14.19
PPI	109.26	109.99	107.11	108.84	108.17	110.27	101.75	106.87	109.99	112.59	104.21	109.04	112.37	115.06	105.38	111.08

It is observed that the expected variance of GDP, based on the projections of the provider, is presented significantly elevated for 2021 while it stabilizes, with a trend to be reduced, in the following years. The index price of ASE has a rising trend throughout the four years. The unemployment rate is mobbing downwards by 2024. Finally, the PPI index presents a slight decrease for 2022 and an upward trend until 2024.

As a result of the experiment of active restructuring loan during the pandemic (Moratoria), credit risk losses have been reduced by € 2.8 million.

3. Principal accounting policies

The accounting policies followed by the Group for the preparation of the interim condensed financial information are consistent with those described in the published financial statements of the year ended 31.12.2020. The adoption, by the European Union until 31.12.2020 of standards, interpretations or amendments which have been issued or may be issued during the year by the International Accounting Standards Board (IASB), and their mandatory or optional adoption for periods beginning on or after 01.01.2021, may affect retrospectively the periods presented in these interim condensed financial statements.

4. Fair value of financial instruments

The following table presents the carrying amount as well as the fair values of financial instruments (financial assets and liabilities) which are not measured at fair value in the Interim Statement of Financial Position.

Fair value of Statement of Financial Position items	Group			
	Carrying amount		Fair value	
Financial Assets	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Due from other financial institutions	41,036	52,359	41,036	52,359
Loans and advances to customers (net of impairment)	1,294,398	1,600,946	1,292,297	1,598,845
Investment securities measured at amortized cost	432,096	387,029	433,150	386,843
Financial Liabilities	30.09.2021	31.12.2020	30.09.2021	31.12.2020
Due to other financial institutions	264,346	401,177	264,346	401,177
Due to customers	2,877,199	2,801,439	2,871,843	2,796,083
Debt securities in issue	99,820	99,781	99,820	99,781
Lease liability	14,965	19,225	14,965	19,225

Fair value of amounts due from and due to other financial institutions carried at amortized cost does not differ substantially from the corresponding carrying value since the maturity for the majority of them is less than one month.

The fair value of investment securities at amortised cost is calculated based on active market prices.

The fair value of loans and advances to customers and due to customers is calculated by discounting the expected future cash flows (inflows and outflows correspondingly). The interest rates used to discount cash flows for loans and customer liabilities were based on the yield curve.

The fair value reflects the estimates at the date of the preparation of the annual financial statements. These estimates are subject to, among others, adjustments depending on the prevailing market conditions at the date of measurement. These calculations represent the most suitable estimates of the Management and are based on particular assumptions. Taking into account the fact that these calculations incorporate uncertainties, it is probable that the fair values might not represent the price at which such financial instruments could actually be sold for or settled with in the future.

Financial instruments which are measured at fair value or their fair value is disclosed, are classified in the following three levels based on the lowest information source used for the estimation of their fair value:

- Level 1: active market prices (not adjusted) for the respective assets and liabilities
- Level 2: inputs which are directly or indirectly observable
- Level 3: resulting from non-observable inputs used in valuation models

In cases where the fair value differs from the transaction price at the time of the initial recognition of financial instruments, the difference is recognized directly in profit and loss only when the instrument is measured based on inputs related to levels 1 and 2. In cases where it is measured based on inputs related to level 3, the difference arising on initial recognition is not recognized directly in profit and loss but it may be recognized

subsequently provided that the instrument's measurement is based on observable inputs and after taking into account the nature of the instrument as well as the length of time.

Level 2 includes inputs which do not meet the requirements for classification in level 1 but they are observable, either directly or indirectly. These inputs are:

- Active market prices for similar assets or liabilities.
- Other observable inputs for the asset or liability under measurement, such as:
 - Interest rate and yield curves;
 - Implied volatility
 - Credit margins

The principal methods used for the measurement of fair value in level 2 are the reference to the current fair value of a reasonably similar instrument, the discounting method and the options pricing models.

Non observable inputs are included in level 3. Non observable inputs used for the measurement of fair value include correlations, long-term volatility measures, expected cash flows, discount rates, credit margins and other parameters related to specific transactions and determined by the Group. The principal methods used for the measurement of fair value in level 3 are the discounting method, the multipliers and the options pricing models. With respect to the senior notes of the securitizations, the Management of the Bank monitors the course of cash flows taking into consideration the effects of the pandemic as well.

As far as the senior note held from the Artemis securitization and Metexelixis securitization, from the monitoring of the transferred loan portfolios during the nine month period of 2021, there are no significant changes in the valuation in relation to 31.12.2020.

In particular, the following are noted:

- The fair value of non-listed shares as well as shares not quoted in an active market is determined based on the Group's estimations regarding the future profitability of the issuer after taking into account the expected growth rate of its operations as well as the weighted average rate of capital return which is used as a discount rate. Given that these parameters are mainly non-observable, the valuation of these shares is classified into level 3.
- Level 3 also includes debt instruments not quoted in an active market due to lack of liquidity, e.g. in cases where the issuer is under liquidation. In these cases, the expected cash flows from the debt instruments are determined by the Group based on their collectability.

At each reporting date, the Group assesses alternative methods for determining non-observable inputs, estimates their effect on the fair value calculation and ultimately selects non-observable inputs which are consistent with current market conditions and with methods it uses for fair value measurement.

The table below depicts the hierarchy of financial instruments measured at fair value at each reporting date based on the quality of inputs used for the estimation of fair value.

30.09.2021	Group			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income (FVOCI)	25,725	0	3,061	28,785
Investment securities measured at fair value through profit or loss	122,743	0	0	122,743
Derivative financial instruments - assets	145	138	0	282

31.12.2020	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income (FVOCI)	183,026	0	403,766	586,792
Investment securities measured at fair value through profit or loss	7,241	0	0	7,241
Derivative financial instruments - assets	145	40	0	185

5. Capital adequacy

The Group's Risk Management Division monitors capital adequacy at regular time intervals and submits the results of its calculations on a quarterly basis to the Bank of Greece that acts as the supervisory authority for all Credit Institutions.

The Capital Adequacy Ratio is defined as the ratio of regulatory equity capital to assets and off-balance sheet items, weighted by the risk they incorporate. Tier 1 capital ratio is defined as the ratio of Tier 1 (Tier 1) capital to risk weighted assets (on and off balance sheet) while the ratio Common Equity Tier 1 (CET 1) is defined in a similar way.

According to Regulation 575/2013 and Bank of Greece's Credit and Insurance Committee Decision 114 / 04.08.2014 banks are required, to meet the following minimum capital ratios on both a standalone and a consolidated basis: Common Equity Tier 1 (CET 1) 4.5%, Tier 1 capital ratio (TIER 1) 6% and total capital adequacy ratio (Total Capital Ratio) 8%.

It is noted that the above Decision abolished Bank of Greece's Executive Committee Act 13/28.03.2013 and provides for transitional amendments regarding the implementation of regulatory capital reductions for Common Equity Tier 1 (CET 1) capital. More specifically, deduction of deferred tax assets which are based on future profitability will be gradually implemented by 2024.

Additionally, according to Directive 2013/36/EU, banks will also be required to gradually create a capital conservation buffer of 2.5% until 01.01.2019 (0.625% on 01.01.2016, 1.25% on 01.01.2017 and 1.875% on 01.01.2018), beyond the existing Common Equity Tier 1 (CET 1) capital and the minimum regulatory capital.

Overall, the minimum required ratios including the capital conservation buffer with an effective date 01.01.2019, are:

- Minimum Common Equity Tier 1 Ratio of 7%.
- Total Capital Adequacy Ratio of 10.5%.

Finally, the following buffers may be imposed by member states of the EU, under Directive 2013/36 / EU:

- Countercyclical capital buffer. (0% for the fourth quarter of 2017 under the Executive Committee's Act (PEE) 122/12.9.2017);
- Systemic risk capital buffer.

As at 30.09.2021, the capital adequacy ratios are as follows:

Description	Group	
	30.09.2021	31.12.2020
CET 1 Ratio	2.8%	4.9%
Tier 1 Ratio	2.8%	4.9%
Total Capital Adequacy Ratio	6.3%	8.3%

Based on the decision 353/8/10.04.2020 issued by the Bank of Greece, the Bank is obliged to keep a minimum ratio of Total Capital Adequacy Ratio of 10.71%, which is comprised by the 8% as defined by article 92 of CRR, plus 2.71% for the additional supervisory capital requirements upon the result of the Supervisory Review and Evaluation Process (SREP).

Additionally of the above mentioned capital requirements and based on article 122 of L.4261/2014, the Bank is obliged to maintain a capital security buffer of 2.5%, the maintenance of which is evaluated taking into consideration the current prevailing conditions.

It is recommended as well the maintenance of 1% additional capital guidance buffer (Pillar II Capital Guidance, P2G). However, due to the extraordinary conditions shaped due to the COVID – 19 pandemic, the Bank is allowed to operate below the level of P2G capital buffer.

It is noted that on 21st December 2021, the process of the Share Capital Increase of 240 million euros with pre-emptive rights in favour of the existing shareholders has been completed with full subscription. This action increases the capital adequacy ratios, Total and CET1, to 12.1% and 15.6% respectively on a pro forma basis.

6. Operating segments

Group

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th September 2021				
Net income				
- interest	511	33,562	1,322	35,395
- commission	1,849	2,864	(1,011)	3,701
- trading results and other income	(636)	(241)	542	(335)
- intersegment results	(645)	(1,844)	2,490	0
Net Total Income	1,078	34,341	3,343	38,762
Result from investments in associates	84	188	47	319
Profit / (Loss) before income tax	(22,429)	9,812	(7,194)	(19,811)
Income tax				(7,052)
Profit / (Loss) for the period				(26,863)
<u>Other segment items</u>				
Provisions for expected credit losses and other impairment	(8,061)	(385)	874	(7,572)
Depreciation expense	(2,423)	(5,404)	(2,789)	(10,616)
Total Assets 30.09.2021	665,430	1,488,796	1,349,735	3,503,961
Total Liabilities 30.09.2021	(2,198,741)	(1,024,337)	(99,820)	(3,322,898)

Group

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th September 2020				
Net income				
- interest	(4,063)	29,027	13,300	38,265
- commission	3,285	1,781	(2,626)	2,439
- trading results and other income	128	227	14,159	14,514
- intersegment results	7,010	898	(7,908)	0
Net Total Income	6,361	31,932	16,925	55,218
Results from investments in associates	92	242	86	420
Profit / (Loss) before income tax	(20,995)	(9,643)	(3,141)	(33,779)
Income tax				(1,884)
Profit / (Loss) for the period				(35,664)
<u>Other segment items</u>				
Provisions for expected credit losses and other impairment	(18,657)	(18,928)	(311)	(37,896)
Depreciation expense	(1,671)	(4,402)	(3,816)	(9,889)
Total Assets 30.09.2020	443,138	1,170,697	1,989,794	3,603,629
Total Liabilities 30.09.2020	(2,150,524)	(899,344)	(99,768)	(3,149,637)

7. Net interest income

During the period 01.01.2021 - 30.09.2021 net interest income decreased by 7.5% compared to the relevant period of 2020, due to the decrease in interest income from loans and advances to customers by 6.9% as a result of large repayments in the first nine months of 2021. This decrease was offset through lower financing cost of the Bank's activities by 19.1% compared to 30.09.2020, as a result of the repricing of the deposit products and the de-escalation funding cost from the liquidity raise mechanisms.

8. Net commission income

During the period ended 30.09.2021 net commission income amounted to € 3.7 million, showing an increase of 1.26 million compared to 30.09.2020, mainly due to the increase in commission income, by € 2.3 million, through the increase in commissions from transactions using credit and debit cards as well as increased lending fees and commissions. It is noted that from 31st March 2021 onwards, the Group stopped using the provisions of Law 3723/2008 on "Strengthening the Liquidity of the Economy, for offsetting the impact of the international financial crisis " and at the same time guarantees of Pillar II, which has as a result, the reduction of commission expense by 1.6 million euros in the current period compared to 30.09.2020, while on an annual basis the savings are expected to amount to 2.6 million euros.

9. Operating expenses

(Amounts in thousand €)

Description	Group	
	30.09.2021	30.09.2020
Salaries and wages	(19,148)	(19,002)
Social security contributions (defined contribution plans)	(4,395)	(4,824)
Other charges	(1,437)	(1,685)
Other provisions for post employment benefits obligations	(249)	(509)
Personnel Expenses	(25,229)	(26,019)
Security and cleaning expenses	(1,873)	(1,772)
Telecommunication and service utility expenses	(1,725)	(1,798)
Printing and stationery expenses	(141)	(164)
Advertising, promotion, donations, memberships and grants expenses	(915)	(729)
Non - embedded taxes and insurance premium expenses	(1,257)	(1,047)
Third party fees and expenses	(3,994)	(3,810)
Teiresias systems expenses	(646)	(405)
Commission on the amount of deferred tax asset under Greek State's guarantee	(131)	(328)
Repair and maintenance expenses	(2,490)	(2,063)
Travelling expenses	(303)	(286)
Other expenses	(1,539)	(780)
General Operating Expenses before provisions	(15,013)	(13,183)
Impairment charge for other assets and contingent liabilities	(250)	(1,258)
Staff leaving expense	(212)	(1,172)
Total General Operating Expenses	(15,475)	(15,613)
Depreciation of tangible assets	(1,745)	(1,607)
Amortization of intangible assets	(6,005)	(5,101)
Depreciation of right of use asset	(2,866)	(3,181)
Depreciation Expense	(10,616)	(9,889)
Total Operating Expenses	(51,320)	(51,522)

Number of employees

	Group	
	30.09.2021	30.09.2020
The average number of employees is:	763	765
The number of employees is:	726	772

The average number of employees of the Group during the current period stood at 763, compared to 765 during 30.09.2020. Personnel expenses are marginally decreased by 3% during the period under review compared to the respective period of 30.09.2020, at the Group level. On 14th May 2021, the Bank implemented the voluntary exit plan for its staff, following the decisions of its Board of Directors. The first phase of this program has already been completed with the participation of 61 employees, which corresponds to an annual savings of 2.5 million euros. Based on the relevant approvals received by the relevant administrative units of the Bank, with the completion of the exit plan on 31.12.2021, a total of 64 employees will have participated in the Voluntary Retirement Scheme with a total salary cost saving of 2.6 million on an annual basis.

As far as general operating expenses are concerned, these are increased by 14% compared to the respective period of 30.09.2020. "Security and cleaning expenses" line includes expenses due to COVID – 19 of approximately 820 thousand euros, while in the context of dealing with COVID – 19 during the nine month period of 2021, the results of the Group were charged with approximately 984 thousand euros. During the comparative period of 2020 "Security and cleaning expenses" line includes expenses due to COVID – 19 of approximately 616 thousand euros, while in the context of dealing with COVID – 19 during the nine month period of 2020, the results of the Group were charged with approximately 914 thousand euros.

10. Profit / (loss) from investment portfolio

The results from investment portfolio transactions are significant decreased compared to the respective period of 2020 and amounted to a loss of approximately 1 million euros, mainly arisen from the sale of Greek Government Bonds. It is noted that this loss shows a decrease of 3.8 million euros compared to the second quarter of 2021, due to the mitigating actions that took place during the third quarter of 2021.

11. Taxes

The income tax for the period ended 30.09.2021 was calculated based of the examination of the items and nature of revenues and expenses, in accordance with the tax provisions in force. As regards the temporary differences between tax and accounting base, a deferred tax has been calculated in accordance with IAS 12.

The Group's deferred tax is calculated, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or deferred tax liability is settled. If the tax rate changes at the year that deferred tax asset is realized or deferred tax liability is settled, then the difference is recognized in the income statement, except from the temporary tax differences that are recorded directly in equity.

In accordance with the provisions of Article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Content Act "Urgent regulation for the replacement of the Secretary General of Public Revenues due to the early termination of his mandate" (A' 136) and other provisions", as amended by Law 4340/2015 and in force by 4465/2017, the deferred tax assets of the supervised by the Bank of Greece legal persons of the paragraphs 5, 6, and 7 of Articles 26 of Law 4172/2013 that have been or will be recognized and which derive from the debit difference of PSI+ and the accumulated provisions and other general losses due to credit risk regarding claims formed until 30.06.2015, are converted into final and liquidated claims against the State, in case that the accounting, after tax, profit or loss is loss, in accordance with the audited and approved by the Ordinary General Assembly, financial statements.

According to article 43 of Law 4465/04.04.2017 "Integration of Directive 2014/92/EU of the European Parliament and Council held on 23rd of July 2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions, into national law" the articles 27 and 27A of the Income Tax Code were amended (Law 4172/2013). According to the new legislation, the debit difference, that will arise from the write-off of debtors' debts and the loss from the sale of loans of the legal entities supervised by the Bank of Greece, is recognized as a deduction from gross income and is amortized over a period of 20 years.

The deferred tax asset which will be recognized for the abovementioned debit difference as well as of any accounting write-offs of loans or credits, not converted into debit difference until the end of the year when the accounting write-off took place, which relate to write-offs or disposals are converted into a definite and cleared claim against the State, based on the abovementioned terms and conditions. This arrangement ensures that loan transfers in order to reduce non-performing loans will not lead to the loss of regulatory capital. The new provisions are applicable as of 1 January 2016.

According to article 125 of Law 4831/2021 "Organization of the Legal Council of the State (NSC) and status of its employees and other provisions", article 27 of Law 4172/2013 was amended. With the new provisions, the debit difference from the exchange of Greek Government bonds or corporate bonds guaranteed by the Greek State, in application of a participation program in the Greek debt restructuring (of par. 2 of article 27 of Law 4172/2013), is deducted as a priority compared to the debit difference due to credit risk of law 4465/2017 (par. 3 of article 27 of Law 4172/2013). The amount of the annual credit risk debit deduction is limited to the amount of gains determined under tax law, before the deduction of these debt differences and after the deduction of the debit result due to PSI bond exchange. The remaining amount of the annual deduction that has not been offset is carried forward to a deduction in subsequent tax years within the twenty-year period, in which there will be an amount of profits after the annual deduction of the debit differences corresponding to those years.

The deduction of the transferred amounts is carried out with order by the older debt balances precede to the newer ones. If at the end of the 20-year depreciation period there are balances that have not been offset, they are loss and subject to the five-year transfer rule. The aim of this amendment is to avoid a significant one-off impairment of the deferred tax assets, as a result of the tax amortization of the accumulated loan losses.

As at 30.09.2021 the amount of deferred tax assets which falls within the scope of this law and includes the amount of the PSI debit difference amounts to 91 million euros (252 million euros as at 31.12.2020).

According to article 82 of Law 4472/19.05.2017 "Public Pension Provisions and amendment of provisions of Law 4387/2016, measures for the implementation of budgetary targets and reforms, social support measures and labor regulations, Medium-term Fiscal Strategy Framework 2018-2021 and other provisions" a new paragraph is added to Article 27A, which states that for the excess amount of the deferred tax asset guaranteed by the Greek State, as derived from the positive difference between the tax rate currently in force (29%) and the tax rate that was in force before L.4334/2015 (26%) the legal entities as mentioned above pay to the Greek

State an annual commission. For the period ended 30.09.2021 the amount of the commission is 131 thousand euros and is included in "General operating expenses" in the income statement.

According to article 22 of Law 4646/2019 "Tax reform with growth dimension for the Greece of tomorrow", which modifies article 58 of Tax Code, the tax rate for legal entities is reduced to 24% from 29% for all income gained after tax year 2019. This reduction does not concern financial institutions, for which the tax rate remains at 29%. In article 10 of the same law, it is defined that the gain which arises from the waiver of a debt company for the collection of the debt in the context of a mutual agreement or judicial compromise is income from business activity. This circular is applied from the publication of the law and does not concern the write off of a part or in total of a debt towards a credit or financial institution or towards a company of L.4354/2015 (A' 176) in the context of an out of court settlement or due to execution of a judicial decision. With article 120 of Law 4799 / 2021 from 01.01.2021 onwards, the income tax rate of legal entities was reduced to 22%. Therefore, the profits of the Group companies are taxed at a rate of 22%.

According to article 93 of Law 4605/1.4.2019 "Alignment of Greek legislation with the European Parliament and Council Directive (EU) 2016/943 of 8.6.2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure (EEL 157, 15.6.2016) - Measures for accelerating the work of the Ministry of Economy and other provisions" provides that:

- The credit balances of fiscal years 2008 and 2010 up to 2012 that arose from withheld taxes on specially taxed income are transferred and will be offset at the time when income tax is incurred and in proportion to that tax. This net-off procedure also includes any amounts refunded by virtue of court decisions, for which the obligation to return them to the Greek State is born at the time and proportionally to the amount of the income tax recognized.
- The credit balances that arose under Law 4046/2012 and have not been offset after the end of the five-years period from their recognition, will be offset starting from 1.1.2020 in ten equal annual installments with any tax liability of the banks.

Based on the above, Bank's receivables from the Greek State from withheld taxes amount to approximately 4.9 million euros, relate to the financial years 2011, 2012 and 2013 (ie the years 2010, 2011 and 2012) and will be offset, as mentioned above. Within the first quarter of 2021, the Bank offset with current tax liabilities the amount of 488 thousand euros. Out of the total above credit amount of 4.9 million euros, an amount of 976 thousand euros has been offset.

Taking into consideration the post – tax result of the year 2020, the provisions of article 27A of L. 4172/2013 are activated and the amount of permanent tax claim from Greek Government which will arise is defined as follows:

Tax claim = Amount of Deferred Tax Asset in Financial Statement X Post – Tax Losses for the Year / (Equity - Tax Losses for the Year)

From the above calculation, the amount of the final cleared tax claim against the Greek State amounts to 151,854,439.86 euros, which was received on August 6th, 2021.

The Decision of the Ministerial Cabinet defines every relevant with the application of the article and specifically the tax audit procedure, the required audit evidence for the verification of the amount of the permanent and settled claim from the Greek Government, the monitoring and verification of the non – netted off annual balance of the tax claim of paragraph 2, the mean of payment, which is either monetary or with cash equivalents, as defined by IAS 7, the verification of the tax claim payment, the basic terms defining of the issued ordinary share warrants or cooperative shares, their transfer, their transfer value, the timing and the procedure of exercising the buy out option from the shareholders, the timing that those become negotiable in an organized market and every other necessary detail concerning with the timing and procedure of the conversion and issuance (for free) in ordinary shares of the warrants towards the Greek Government.

The above Act of the Council of Ministers was issued on 6 July 2021. According to article 2 of the Act of the Council of Ministers No. 28, the confirmation of the amount of the final and cleared claim pursuant to the provisions of paragraph 2 of Article 27A of Law 4172/2013 is subject to special audit by certified auditor of the Bank, who issue a relevant audit report based on International Auditing Standard 805 within five days from the approval of the financial statements by Annual Ordinary General Meeting of the bank's Shareholders. Based on article 4 of the Act of the Council of Ministers, the amount of the tax claim of article 27A, paragraph 2, of Law 4172/2013 is determined based on certified auditor's report issued according to article 2 of this Act of the Council of Ministers. The tax claim of article 27A, paragraph 2, of L.4172 / 2013, in the part that has not been

offset and for which the legal entity has a receivable claim against the Greek State, is covered by the Greek State no later than one month from the income tax submission (initial or supplementary). The collection and repayment of the final and cleared tax claim is done either in cash, that it is paid through a bank account indicated by the legal entity, or in cash equivalents, as defined by IFRS 7. Cash equivalents are defined as short-term, high-liquidity investments that are directly convertible into cash amounts and are not subject to risk in change of their fair value, such as bonds or treasury bills with three months maturity or less.

According to article 5 of the Act of the Council of Ministers and with what is defined in article 27A of law 4172/2013 (A '167), the legal entity, with decision of the regular General Meeting that approves the annual financial statements:

- A) forms a special reserve, which is intended exclusively for the increase of the share or cooperative capital, and the value of which is equal to 100% of the amount of the final and settled tax claim, before its offset with the income tax of the tax year within which the accounting loss occurred, and
- B) issues free (without consideration) documentary securities of acquisition rights of common shares or cooperative shares in favor of the Greek State (securities of conversion rights), according to definition in par. 6 of article 27A of law 4172/2013 and in this Act. In case of a listed company, since at the general meeting it may not be possible calculation of the market value, as defined in par. 2 of article 27A of law 4172/2013, the general assembly authorizes the board of directors to calculate the market value and consequently the number of documentary titles and any other issue for the realization of the increase and the issuance of the titles.

The warrants are issued within five (5) days from the date that the tax claim becomes receivable according to par. 2 of article 4. The warrants are issued in the name of the Greek State, and are paper, or may not be issued according to par. 4 of article 40 in combination with par. 9 of article 56 of law 4548/2018 (A '104) with registration in the shareholders' book, as that is provided by the company's articles of association. If the issuing company is listed, warrants may be issued directly in accounting form, or dematerialized after their initial issue in paper form, and kept in accounting form, after request of the legal entity, in a central securities depository with the meaning of Regulation (EU) 909/2014 of the European Parliament and the Council of 23 July 2014 for improving the settlement of securities in the European Union and with central securities for amending Directives 98/26 / EC and 2014 / 65 / EU and Regulation (EU) no. 236/2012 (L 257), operating in Greece or in other Member State of the European Union, if permitted by the rules and procedures of the Central Securities Depository

The warrants are attributed to the Greek State and correspond to common shares or cooperative shares of total market value, as defined in the seventh paragraph of article 27A, paragraph 2, of law 4172/2013, equal to 100% of final and cleared tax claim, before being offset against income tax in the tax year that tax loss occurred.

The securities of acquisition rights of common shares or cooperative shares acquired by the Greek State are credited to the Securities Account kept by Greek State in the system of the central securities depository and the securities to the treasury of the State. The Participant in accordance with circumstance 19 of par. 1 of article 2 of Regulation (EU) 909/2014 checks, whether the credited securities have been calculated in accordance with par. 5. Requests of shareholders or partners for redemption of securities are first addressed to the legal entity, to which they are shareholders or partners, and then this is addressed to the Public Participant of the central securities depository. The last proceeds to control of the requests, return of the corresponding number of securities, settlement of the transaction, as well as return of the product of the securities purchase to the Greek State.

The acquisition of the conversion rights securities by the Greek State, as well as the conversion of securities into shares is carried out free of charge and out of contest of public offer within the meaning of Law 4706/2020 (A '136) and Regulation (EU) 2017 / Regulation (EC) No 1129 of the European Parliament and of the Council of 14 June 2017 concerning the prospectus to be published in the public offering of securities or in the admission of securities to trading on a regulated market and repealing Directive 2003/71 / EC (L 168)

Each title deed is freely transferable by its holder and incorporates the holder's right to acquire a common share or cooperative share of the legal person in accordance with the terms of exercise under Article 7.

On August 6, the Bank, following the decisions of the Ordinary General Meeting of July 7 2021, as well as in accordance with article 4 of the Act of the Council of Ministers 28 / 06.07.2021, proceeded to the collection of the amount corresponding to the 100% of the final and cleared tax claim against the State, i.e. 151.854.439,86 euros (Note 26). In accordance with the provisions of the 28 / 06.07.2021 Act of the Council of Ministers, as amended by the 34 / 25.08.2021 Act of the Council of Ministers, a special-partial tax audit was carried out by

the Center for the Control of Large Enterprises (K.E.ME.EΠ.), which was completed within the October 2021, certifying a refund of 1,141,599.53 euros. The Bank proceeded to the payment of the said amount with a reservation and filed an appeal.

It is noted that on 30.09.2021 and taking into account the successfully completion of the Share Capital Increase of 240 million euros on 21.12.2021, the ratio of DTC to share capital amounts to 38% and the total deferred tax asset over equity at 62%, on a pro forma basis.

The table below presents the income tax which was recognized directly to equity:

Group

(Amounts in thousand €)

Description	30.09.2021			30.09.2020		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts reclassified in income statement						
Financial assets at fair value through other comprehensive income (FVOCI)	1,863	(540)	1,323	(5,886)	1,707	(4,179)
Amounts not reclassified in income statement						
Change in actuarial gains / (losses) of defined benefit obligations	61	(18)	43	(347)	101	(246)
Total	1,924	(558)	1,366	(6,233)	1,808	(4,426)

The following table presents the income tax recognized in the income statement for the period:

(Amounts in thousand €)

Description	Group	
	30.09.2021	30.09.2020
Current income tax	(38)	(79)
Deferred income tax	(7,014)	(1,805)
Total	(7,052)	(1,884)

The deferred tax is as follows:

(Amounts in thousand €)

Deferred Tax	Group	
	30.09.2021	30.09.2020
Difference from tangible assets depreciation	(290)	(422)
Contingent liabilities provisions	0	(1,921)
Amortization of credit risk provisions of L. 4465/2017	(9,056)	(10,345)
Amortization of credit risk provisions of L. 4831/2021 over a 20 years period	(2,912)	0
Allowance for impairment of loans	2,311	10,990
Allowance for impairment of off balance sheet items	138	0
Allowance for impairment of financial assets	(253)	0
Adjustment for debit difference of L. 4046/2012	(421)	(1,058)
Tax losses carried forward, other temporary differences and write offs	(33,568)	868
Deferred tax asset recognition based on L. 4831/2021	37,126	0
Pension and other benefits after retirement	(90)	84
Deferred tax assets	(7,014)	(1,805)

Deferred Tax is analyzed as follows:

(Amounts in thousand €)

Description	Group	
	30.09.2021	31.12.2020
Expected credit losses on loans and advances to customers	93,547	109,600
Amortization of debit difference of L. 4465/2017	79,718	222,815
Impairment of Greek Government bonds	11,377	29,612
Impairment of financial assets at fair value through other comprehensive income (FVOCI)	1,607	2,043
Off balance sheet items	3,884	2,488
Impairment of other financial assets	8,821	26,685
Tax losses carried forward and other temporary differences	2,511	36,079
Pension and other benefits after retirement	2,713	2,821
Amortization of expected credit losses of L. 4831/2021	68,828	0
Deferred Tax Assets	273,007	432,143
Revaluation of intangible assets	(9,448)	(9,050)
Revaluation of tangible assets	(1,030)	(988)
IFRS 16	(597)	(748)
Deferred Tax Liabilities	(11,075)	(10,786)
Net Deferred Tax Assets	261,931	421,357

12. Earnings / (Losses) per share – basic and diluted

(Amounts in thousand €) Description	Group			
	1.1- 30.09.2021	1.1- 30.09.2020	1.7- 30.09.2021	1.7- 30.09.2020
Profit / (Loss) for the year attributable to equity owners of the Bank	(26,863)	(35,664)	(7,367)	(6,116)
Profit / (Loss) for the year attributable to ordinary equity owners of the Bank	(26,863)	(35,664)	(7,367)	(6,116)
Weighted average number of ordinary shares during the period	454,644,732	461,253,987	449,443,515	461,253,987
Adjusted weighted average number of ordinary shares during the period	454,644,732	461,253,987	449,443,515	461,253,987
Earnings / (Losses) per share - basic (in €)	(0.0591)	(0.0773)	(0.0164)	(0.0133)

Basic earnings per share are calculated based on the weighted average number of outstanding ordinary shares during the period, as this is determined by applying time weights on the number of outstanding common shares at the beginning of the period after taking into account the reduction in the total number of common shares.

It is noted that in 30.09.2021 as well as in the comparative period there are no potential stock titles for the adjustment of the weighted average number of common shares of the period and therefore there is no differentiation in reduced profits.

13. Investment securities

Investment securities measured at fair value through profit or loss (Amounts in thousand €)	Group	
	30.09.2021	31.12.2020
Foreign Government Bonds	20,289	0
Greek Government Bonds	90,834	3,054
Foreign Corporate Bonds	7,099	0
Foreign listed shares	4,521	4,187
Investment securities measured at fair value through profit or loss	122,743	7,241

The Group, during the nine month period of 2021 proceeded to purchases of Greek Government Bonds and Treasury Bills of 510.9 million euros as well as Foreign Government Bonds of 514.7 million euros, while the respective sales and maturities of securities amounted to 838.3 and 28.8 million euros.

(Amounts in thousand €)		Group	
Investment securities measured at fair value through other comprehensive income (FVOCI)		30.09.2021	31.12.2020
Greek government bonds		23,241	140,527
Treasury bills		0	25,773
Foreign government bonds		0	14,501
Government Bonds		23,241	180,800
Foreign issuer		2,101	2,782
Listed Corporate Bonds		2,101	2,782
Foreign issuer		1,655	526,914
Non Listed Corporate		1,655	526,914
Bonds Expected Credit Losses		(43)	(125,607)
Bonds		26,955	584,889
Listed shares - (Domestic)		418	493
Listed shares - (Foreign)		7	5
Non-Listed Shares - (Domestic)		1,406	1,406
Shares		1,831	1,903
Investment securities measured at fair value through other comprehensive income (FVOCI)		28,785	586,792

The Group, during the nine month period of 2021 proceeded to purchases of Greek Government Bonds, Foreign Government Bonds and Treasury Bills of 131.8 million euros, while Government Bonds of and the respective sales and maturities of securities amounted to 285.3 million euros.

As at 30.09.2021, the Group has classified in the Assets held for sale (Note 17), the Senior Note bond of the Artemis securitization with a fair value of approximately 408 million euros.

Investment securities measured at amortized cost

(Amounts in thousand €)

	Group	
	30.09.2021	31.12.2020
Foreign Government Bonds	19,821	0
Greek Government Bonds	72,091	9,963
Greek Government Treasury Bills	0	39,988
Corporate - Non Listed - Foreign	363,785	364,132
Corporate - Listed - Domestic	7,750	4,158
Bonds	463,447	418,241
Expected credit losses	(31,350)	(31,213)
Investment securities measured at amortized cost	432,096	387,029

The Group, during the nine month period of 2021 proceeded to purchases of Greek Government Bonds of 85.9 million euros, while the maturities of Greek Treasury Bills amounted to 40 million euros.

It is noted that the amount of 31.4 million euros includes impairment provisions of the mezzanine note of the securitization Metexelixis.

14. Loans and advances to customers at amortized cost

(Amounts in thousand €)		Group	
Description	30.09.2021	31.12.2020	
Credit cards	21,693	22,096	
Consumer loans	101,054	95,798	
Mortgages	373,552	386,384	
Other	4,267	5,009	
Loans to individuals	500,566	509,286	
Agricultural sector	8,418	3,477	
Commercial	151,009	149,162	
Industrial sector	86,042	86,782	
Small industries	7,456	10,598	
Tourism	51,292	86,790	
Shipping	24,516	21,215	
Construction sector	400,170	452,194	
Other	309,781	536,176	
Loans to corporate entities	1,038,684	1,346,394	
Public sector	24,818	26,305	
Net investment in finance lease	52,906	104,957	
Loans and advances to customers (before impairment)	1,616,975	1,986,943	
Expected Credit Losses	(322,577)	(385,997)	
Loans and advances to customers (net of impairment)	1,294,398	1,600,946	

As at 30.09.2021, the Group has classified in the Assets held for sale loans and receivables against customers with a gross book value of approximately 331 million euros and a net value of approximately 233 million euros. (Note 17)

In the following table, loans to individual and corporate entities under Greek State guarantee along with the loans to the Greek State are presented.

(Amounts in thousand €)		Group
Loans under Greek State guarantee		
30 September 2021		44,965
31 December 2020		33,357
Loans to the Greek State		
30 September 2021		24,818
31 December 2020		26,305

The movement of expected credit losses for the nine month period of 2020 as well as the respective movements as at 31.12.2020 are as follows:

Movement of expected credit losses

(Amounts in thousand €)

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance 01.01.2020	(3,553)	(5,003)	(272,329)	(280,885)
Expected credit risk losses and losses reversals for the nine month period of 2020	(3,511)	(4,213)	(28,470)	(36,194)
Write offs during the nine month period of 2020	1	0	264	264
Movements between stages	10	46	(56)	0
Expected credit losses for the nine month period of 2020	(7,054)	(9,170)	(300,591)	(316,814)
Movements for the period 01.10.2020 - 31.12.2020				
Expected credit risk losses and losses reversals	(3,132)	(5,925)	(60,807)	(69,863)
Write offs	0	0	680	680
Movements between stages	(244)	336	(91)	0
Expected credit losses as at 31.12.2020	(10,431)	(14,759)	(360,808)	(385,997)

The movement of expected credit losses for the nine month period of 2021 is as follows:

Movement of expected credit losses

(Amounts in thousand €)

	Group			
	Stage 1	Stage 2	Stage 3	Total
Opening balance 01.01.2021	(10,431)	(14,759)	(360,808)	(385,997)
Expected credit risk losses and losses reversals for the nine month period of 2021	3,455	8,650	(20,074)	(7,969)
Transfer to held for sale assets	4	434	57,685	58,124
Write offs during the nine month period of 2021	0	0	13,266	13,266
Movements between stages	(1,666)	532	1,134	0
Expected credit losses for the nine month period of 2021	(8,637)	(5,143)	(308,796)	(322,577)

The credit loss provisions for the nine month period of 2021 are as follows:

(Amounts in thousand €)

Description	Group and Bank	
	30.09.2021	30.09.2020
Impairment charge / (Reversal of impairment charge) on loans and advances to customers	(7,969)	(36,194)
Impairment charge / (Reversal of impairment charge) on off balance sheet items	(477)	(1,392)
Fair value results of financial assets measured at fair value through other comprehensive income (FVOCI)	1,011	(158)
Impairment charge / (Reversal of impairment charge) on financial assets measured at amortised cost	(138)	(153)
Total	(7,572)	(37,896)

Loans and advances to customers (net of impairment)
Group
30.09.2021

(Amounts in thousand €)	12 month expected credit losses (Stage 1)	Lifetime expected credit losses of non impaired assets (Stage 2)	Lifetime expected credit losses of impaired assets (Stage 3)	Carrying amount
Retail Lending				
Gross carrying amount	115,792	8,067	376,708	500,566
Expected credit losses	(1,739)	(399)	(104,196)	(106,334)
Carrying amount	114,053	7,668	272,511	394,232
Corporate Lending				
Gross carrying amount	634,527	131,993	325,070	1,091,590
Expected credit losses	(6,686)	(4,708)	(204,600)	(215,994)
Carrying amount	627,841	127,285	120,470	875,596
Public Sector Lending				
Gross carrying amount	14,745	10,073	0	24,818
Expected credit losses	(212)	(36)	0	(249)
Carrying amount	14,533	10,037	0	24,570
Loans and advances to customers				
Total Gross carrying amount	765,064	150,133	701,777	1,616,975
Total expected credit losses	(8,637)	(5,143)	(308,796)	(322,577)
Total Carrying Amount	756,427	144,990	392,981	1,294,398

31.12.2020

(Amounts in thousand €)	12 month expected credit losses (Stage 1)	Lifetime expected credit losses of non impaired assets (Stage 2)	Lifetime expected credit losses of impaired assets (Stage 3)	Carrying amount
Retail Lending				
Gross carrying amount	117,414	10,363	381,510	509,286
Expected credit losses	(4,537)	(806)	(110,325)	(115,669)
Carrying amount	112,877	9,557	271,184	393,617
Corporate Lending				
Gross carrying amount	642,843	304,616	503,893	1,451,351
Expected credit losses	(5,699)	(13,911)	(250,483)	(270,094)
Carrying amount	637,144	290,705	253,409	1,181,258
Public Sector Lending				
Gross carrying amount	15,820	10,485	0	26,305
Expected credit losses	(194)	(41)	0	(235)
Carrying amount	15,626	10,444	0	26,071
Loans and advances to customers				
Total Gross carrying amount	776,077	325,464	885,402	1,986,943
Total expected credit losses	(10,431)	(14,759)	(360,808)	(385,997)
Total Carrying Amount	765,646	310,706	524,594	1,600,946

In the context of implementation of the Bank's Business and Transformation Plan, the Bank proceeded on a new securitization of Non – Performing Exposures ("NPEs") on 16th December 2020 of an amount of approximately 712 million euros, out of which approximately 371 million euros concern retail NPEs (Astir II) and approximately 341 million euros to corporate NPEs (Astir I). On 17.12.2020, the total of those NPEs have been transferred to two special purpose vehicles (one for the retail and one for the corporate lending) which in turn has issued 3 bonds of a decreasing payout series per vehicle, thus six in total, which are held by the Bank. As at 30.09.2021 the aforementioned loans remain in the Bank's statement of financial position and have not been derecognized as a result of the above mentioned securitization. This action is included in the strategic aim of minimizing the NPEs of the past.

The gross carrying amount of the performing loans in sectors which have been recognized as COVID – 19 affected amounts to approximately 595 million euros, as at 30.09.2021, while the expected credit losses amount to approximately 3.8 million euros. Out of the performing loans in affected by the pandemic sectors, 548 million euros approximately concern business loans and 47 million euros retail loans.

Finally, 40 million euros approximately concern forbearance measures which have been implemented during the six month period of 2021 in the context of supporting the Bank's customers from the effects of the COVID – 19 pandemic, while 73 million euros concern loans of the COVID – 19 Guarantee Fund of the Hellenic Development Fund. Those forbearance measures do not have a significant effect on the income statement and due to the fact that they have been implemented in the context of the pandemic measures they did not change the classification in the above stages. It is noted that the forbearance measures said stand at approximately 12.4% of the Bank's performing portfolio as at 30.09.2021.

The Bank has implemented procedures and policies to support its customers and monitor their credit quality.

Furthermore, on 27th April 2021, the Bank's Board of Directors decided the securitization "Omega", which includes the total claims of the current securitization with the original name "Artemis" and almost the total balance of the Bank's current NPLs as at 31.12.2020. Through the "Omega" securitization a series of consecutive securitizations of a total amount of 3 billion euros, which has started on December 2016, is concluded for Attica Bank.

The total provision perimeter of the Bank's securitized portfolios as at 30.09.2021, amounts to 1,603 million euros and 1,016 million euros after provisions, taking into account the structure of the Omega securitization

15. Subsidiaries of the Group

(Amounts in thousand €)

30.09.2021

Company Name	Country of incorporation	Number of shares	Ownership interest %	Equity	Acquisition Cost	Carrying amount
1. Attica Bancassurance Agency S.A.	Greece	10,000	100%	4,566	100	100
Investment in subsidiaries					100	100

(Amounts in thousand €)

31.12.2020

Company Name	Country of incorporation	Number of shares	Ownership interest %	Equity	Acquisition Cost	Carrying amount
1. Attica Bancassurance Agency S.A.	Greece	10,000	100%	4,446	100	100
Investment in subsidiaries					100	100

16. Investment in associates and joint ventures

Group company, consolidated under the equity method is Zaitech Innovation Venture Capital Fund I.

The main unit holders of Zaitech I are the Bank and the New Economy Development Fund (TANEO). Taking into account the nature of the investments, control is exercised jointly by the unit holders. As a result, the Group's investment in these Funds is measured using the equity method of accounting (IAS 28).

Zaitech Innovation Venture Capital Fund I aims to invest in innovative capital companies that have a registered and effective head office in Greece, preferably in companies operating in the food, beverage, retail, organic, industrial, energy, telecommunication and IT sectors. The activities' location of the company does not differ from its headquarters.

The subsidiary, "Attica Ventures S.A.", in which the Bank is a shareholder of 10%, has been appointed as the management company for the closed-end mutual fund Zaitech I.

The acquisition cost for Bank's investments in Zaitech Fund I as at 30.09.2021 amounted to 4,693 thousand euros.

It is noted that the valuation of the venture capital fund holdings is carried out in accordance with the guidelines of the European Private Equity & Venture Capital Association – EVCA and the provisions of L. 4141/2013. From the aforementioned participations in the consolidated income statement for the period 30.09.2021, a gain from the valuation of the companies amounting to approximately 370 thousand euros has been recorded.

Attica Bank's participation in the associate companies for both the current and the comparative period is presented in the following table:

30.09.2021

Company Name (Amounts in thousand €)	Country of Incorporation	% Participation	Acquisition Cost
Zaitech Innovation Venture Capital Fund I	Greece	50%	4,693

31.12.2020

Company Name (Amounts in thousand €)	Country of Incorporation	% Participation	Acquisition Cost
Zaitech Innovation Venture Capital Fund I	Greece	50%	4,323

On 28th of August, the Bank announced the sale of 69% of the shares of Thea Artemis Financial Solutions (TAFS), of which 49% owned by DDM AG and 20% of Attica Bank to Ellington Solutions S.A. was finalized today which had chosen as the preferred investor in the context of a relevant bidding process. From the abovementioned transaction, the profit is estimated to amount to EUR 1 million for Attica Bank.

17. Assets held for sale

The Group, as at 30.09.2021 in the context of Omega securitization has classified as assets held for sale financial instruments with a gross book value of approximately 387 million euros and a fair value of approximately 289 million euros, as well as the Senior Note of the Artemis securitization with a fair value of approximately 408 million euros.

18. Intangible assets

Intangible assets of the Group consist mainly of software programs, which as at 30.09.2021 amounted to 61,424 thousand euros compared to 57,673 thousand as at 31.12.2020.

The additions of intangible assets on Group level in the nine month period of 2021 of 9.8 million euros for the Group, as well as in the comparative period of 8.8 million euros respectively, mainly concern in the strengthening of the existing infrastructure and software along with the gradual digitalization of the Group.

19. Tangible assets

The Group's property, plant and equipment are used by the Bank and Group companies either for operational or for managerial purposes. The net book value for these assets as at 30.09.2021 amounted to 41,551 thousand euros compared to the amount of 47,831 thousand euros as at 31.12.2020.

The total amount of additions of property, plant and equipment in the nine month period of 2021 amounted to 247 thousand euros and the comparative period 1,517 thousand euros.

20. Due to financial institutions

(Amounts in thousand €)

Description	Group	
	30.09.2021	31.12.2020
Sight deposits	13,588	39,866
Interbank term deposits	55,000	155,000
Non interbank term deposits	195,758	6,304
Repos	0	200,007
Due to financial institutions	264,346	401,177

“Interbank term deposits” as at 30.09.2021 includes funding of 55 million euros from Eurosystem (ECB), compared to 155 million euros as at 31.12.2020. The Group in the context of its cooperation with a digital deposit platform has raised on 30.09.2021 approximately 196 million euros from EU citizens, while on 31.12.2020 the corresponding amount was approximately 6 million euros.

21. Due to customers

(Amounts in thousand €)

Description	Group	
	30.09.2021	31.12.2020
Current accounts	42,716	30,699
Savings accounts	512,516	477,663
Term deposits	1,401,610	1,389,270
Blocked	1	1
Deposits of individuals	1,956,843	1,897,633
Sight deposits	201,818	214,074
Term deposits	158,473	147,811
Blocked	1,255	1,267
Deposits of corporations	361,546	363,152
Sight deposits	251,926	314,767
Term deposits	174,341	98,303
Blocked	0	0
Public sector deposits	426,267	413,070
Sight deposits	122,154	121,342
Savings accounts	1,690	1,320
Other deposits	123,845	122,662
Other due to customers	8,699	4,922
Due to customers	2,877,199	2,801,439

22. Debt securities in issue

Issues guaranteed by the Greek State (N.3723/2008)

Within the framework of article 2 of L. 3723/2008 and regarding the 2nd pillar of the support measures for the enhancement of the liquidity of the economy and for the maintenance of the liquidity stability of the Bank, the Bank issued on 24.10.2019 a bond loan of a total nominal value of € 320 million, with the simultaneous early repayment of the €350 million bond issued with the guarantee of Hellenic Republic on 25.05.2018 with a maturity of two years following the decisions of the Bank's Board of Directors on 27 June 2019.

Attica Bank starting on 31 March 2021 ceased to rely on the provisions of L.3723/2008 «The strengthening of the liquidity of the Economy, for offsetting the impact of the international financial crisis» and simultaneously on the guarantees of Pillar II.

According to the provisions of article 80 of L. 4484/2017, the Bank issued on 21 December 2018 a subordinated bond (TIER II) for the repayment of preference shares of the Greek State amounting to € 100,199,999.90. Based on the terms of the "Redemption and Coverage Agreement" between the Bank and the Greek State, the capital instruments of Category 2 have a maturity of ten years (until 20 December 2028) and pay a fixed nominal rate of 6.41%. As at 30 September 2021, the aforementioned capital assets amounted to 99.8 million euros, including € 0.4 million issuing costs.

(Amounts in thousand €)

Description	Group			
	30.09.2021		31.12.2020	
	Average Interest Rate	Carrying Value	Average Interest Rate	Carrying Value
LOWER TIER II	6.41%	99,820	6.41%	99,781
Debt securities in issue		99,820		99,781

23. Equity

(Amounts in thousand €)

Description	Group	
	30.09.2021	31.12.2020
Paid up (common shares)	1,538	138,376
Share Capital	1,538	138,376
Reserves	762,383	472,502
Retained Earnings / (Losses)	(582,858)	(404,189)
Total Equity	181,063	206,689

Share Capital

Following the decision of the Extraordinary General Assembly of the Bank on 22.12.2017 the following took place:

1. The increase of the nominal value of each registered share with a voting right from € 0.30 to € 4.2539999922534 per share and a reverse split with a ratio of 14.1799999741806 of existing shares for every new one thus decreasing the number of common shares from 2,339,353,394 to 164,975,557 new shares. Following this increase in the nominal value of each common share of the Bank, the common share capital will remain unchanged and it will be € 802,006,018.10 divided into 164.975.557 common registered shares with a nominal value of €4.2539999922534 per common share and 286,285,714 preference shares with a nominal value of €0.35 each.
2. The reduction of the share capital through the reduction of the nominal value of each common share with a voting right of the Bank (as formed after the reverse split) from 4.2539999922534 per share to € 0.30 per share up to the total amount of € 652,313,351.10 for the purpose of writing off, the accumulated losses amounted to € 419,253,000 resulting from the Annual Financial Statements for the year ended 2016 which were approved by the General Assembly of the Bank held on 08.07.2017 and the formation of a special reserve amounted to € 233,060,351.10 according to article 4 par.4a of C.L 2190/1920. Following the above reduction of share capital, the nominal value of the share is € 0.30 while the total number of shares has not changed.
3. The increase in the share capital of the Bank by the issuance of up to 659,902,228 new common registered shares under the Law 3604/2007 (as in force) up to the amount of one hundred and ninety seven million nine hundred and seventy thousand six hundred and sixty eight euros and forty cents (€ 197,970,668.40) in cash and in favor of the existing shareholders. Following the above increase, and if it is fully covered, the total share capital of the Bank will amount to € 247,463,335.50 divided into 824,877,785 ordinary shares of a nominal value of € 0.30 each.

Regarding the increase of the share capital of the 3rd paragraph by cash payment, the Board of Directors of the Bank at its meeting on 21 May 2018 declared that the share capital increase was covered partially by € 88,883,536.80, which represents the 44.9%. At the same time, it proceeded with the issuance of 296,278,456 new common registered shares with nominal value € 0.30 each and approved the distribution and disposal of the new shares.

On 21.05.2018 the Board of Directors certified the payment of the amount of the share capital increase following the partial coverage.

According to the above the total share capital of the Bank after the certification of the Board of Directors amounts to € 238,576,203.80 divided into:

- a) 461,254,013 common registered shares with voting rights, with nominal value of € 0.30 each and
- b) 286,285,714 preference shares with nominal value € 0.35 each, which are redeemable. The shares in this category have been issued under Law 3723/2008 "Liquidity assistance program of the Greek economy". These shares are of indefinite duration and are subject to redemption by the Bank upon the relevant approvals of the Bank of Greece. Furthermore, these shares bear a fixed non-cumulative yield of 10% conditional upon the requirements of Article 44 of C.L. 2190/1920 being met and distributable profits to exist. Therefore, the payment of the fixed non-cumulative interest of 10% requires a previous approval by the Annual General Meeting of the Bank's shareholders. The aforementioned characteristics with regards to the nature, type and decision-making process related to these preference shares, indicate that these shares should be recognized as part of equity and not as a liability.

The General Assembly on 27 June 2018, as completed on 25 July 2018, decided the acquisition of the preference shares of the Greek State with a nominal value of € 100,199,999.90, following the decision of the Extraordinary General Assembly held on 22.12.2017, in order for the acquisition to take place in exchange for:

a) cash and b) by delivering to Greek State subordinated bonds in accordance with paragraph 1a of article 1 of Law 3723/2008, as in force. Furthermore, it decided to reduce the share capital of the Bank through the cancellation of the preference shares acquired and corresponding amendment of article 5 of the Bank's Articles of Association.

Following the above the Bank, pursuant to the provisions of Article 80 of Law 4484/2017, on 21 December 2018 the Bank issued a subordinated bond (TIER II) for the repayment of the Greek State's preference shares amounting to € 100,199,999.90 million. According to the terms of their issuance, the above Tier 2 capital instruments have a maturity of ten years (until 20 December 2028) and pay a fixed nominal interest rate of 6.41%. On 21 December 2018 the Bank's Share Capital was reduced by € 100,199,999.90 with the cancellation of 286,285,714 preference shares which had been issued under the provisions of Greek Law 3723/2008 and since that date onwards the Greek State does not hold any preference shares of the Bank. Following the redemption of the preference shares held by the Greek State, the Bank's Common Share Capital amounted to € 138,376,203.90 divided into 461,254,013 common, registered shares with voting rights and a nominal value of € 0.30 each. With the activation of article 27A of L.4172/2013, it is estimated that no variance in the Bank's equity balance will arise, but nonetheless a conversion in the equity structure will arise and more specifically in the participation percentage of the common shares in equity in contrast with the reserve or retained losses. As described in note 11, the published ministerial act 5 defines the details of the application of this law, on which the series of the action described above are based on.

In addition, the Board of Directors of the Bank on August 26 proposed to the Extraordinary General Meeting of the Bank, which took place on September 15, 2021, the following issues which were approved:

- the increase of the par value of each existing common registered share of the Bank from €0.30 to €18.00, along with the simultaneous reduction of the total number of the Bank's existing common shares, by merging sixty (60) existing shares to one (1) new share of the Bank (reverse split). In order to result to the said whole number of shares, an increase of the share capital through an equivalent capitalization of the existing special reserve for
- Reduction of the Bank's share capital by € 136,838,692.60, through the decrease of the par value of each common share from €18.00 to €0.20, and the building up of a special reserve of the same amount, pursuant to article 31 par.2 Law 4548/2018.

Following the above, the Bank's share capital amounts to Euro 1,537,513.40 and is divided into 7,687,567 common registered shares with voting rights of a par value of €0.20 each.

With the completion of the Share Capital Increase on 21.12.2021, the Share Capital of the Bank amounts to approximately 242 million euros on a pro forma level.

Treasury Shares

As at 30.09.2021, the Bank owns no treasury shares.

24. Related party transactions

(Amounts in thousand €)

	Group	
	30.09.2021	31.12.2020
Transactions with related companies		
Receivables	0	6,006
Liabilities	266,969	263,096
	1.1- 30.09.2021	1.1- 30.09.2020
Income	113	63
Expenses	1,310	2,088
Transactions with Members of the Management	30.09.2021	31.12.2020
Receivables (Loans)	532	57
Liabilities (Deposits)	735	1,050
	1.1- 30.09.2021	1.1- 30.09.2020
Interest income	1	0
Interest expenses	2	9
Salaries and wages	1,134	1,307
Directors' fees	364	425
Total fees of Members of Management	1,498	1,732

Transactions with related companies include subsidiaries and associates of the Group, as presented in note 15 and 16, as well as the Bank's main shareholders, the Engineers and Public Works Contractors Fund (E.P.W.C.F – T.M.E.D.E.) and the Electronic Single Social Security Body (e - E.F.K.A.).

Transactions with Members of the Group's Management concern the Members of the Board, the Deputy Managing Directors and the members of the Executive Committee, as well as the members of the Assets & Liabilities Management Committee. All loans to members of management a) were granted in the course of usual business operations b) carried the same terms, including interest rates and collateral, as similar loans granted to third parties in the same period, and c) do not involve a higher than normal degree of credit risk or other unfavorable features.

It is noted that transactions with members of the Board of Directors also include the remaining transactions of the members of the Management Board until the period of their tenure.

25. Contingent liabilities and commitments

25.1 Off balance sheet liabilities and pledged assets

(Amounts in thousand €)

Description	Group	
	30.09.2021	31.12.2020
Contingent Liabilities		
Letters of Guarantee	274,356	261,346
Letters of Credit	1,303	1,063
Contingent liabilities from forward contracts	35,693	3,873
Total Contingent Liabilities	311,352	266,282
Undrawn Credit Limits		
- Up to 1 year maturity	282,539	129,562
- Over 1 year maturity	30,814	32,555
Total Undrawn Credit Limits	313,352	162,117
Pledged Assets		
European Central Bank (E.C.B.)		
Financial assets measured at fair value through profit or loss	84,851	2,408
Financial assets measured at fair value through other comprehensive income (FVOCI)	22,000	159,742
Investment securities measures at amortized cost	68,200	50,000
Loans and advances	91,447	133,188
Cash Collateral	60,000	0
Total commitments to E.C.B.	326,499	345,338
Total Pledged Assets	326,499	345,338
Total off-balance sheet liabilities and pledged assets	951,203	773,737

The following table analyzes the nominal and adjusted value of the pledged collaterals, which can be used by the Group to raise liquidity as at 30.09.2021:

Description	E.C.B	Total
Nominal Value of pledged Collaterals	326,499	326,499
Adjusted Value of pledged Collaterals	284,089	284,089
Liquidity drawn	55,000	55,000

25.2 Tax liabilities

Pursuant to the provisions of Article 65 A of Law 4174/2013 from 2011 the statutory auditors and audit firms that carry out statutory audits in public companies are required to issue an annual tax certificate on the application of tax provisions to tax items. This certificate shall be submitted both to the audited company by submitting the income tax return and at the latest within the first 10 days of the tenth month of the end of the audited year, and electronically to the Ministry of Finance not later than the end of the tenth month of the expiry of the audited period. Pursuant to article 56 of Law 4410/ 03.08.2016 for the fiscal years starting as of 01.01.2016, the issuance of a tax certificate becomes optional. However, the intention of the Bank is to continue to obtain the tax certificate.

The years 2011, 2012, 2013 and 2014 are considered barred according to the provisions of the Independent Public Revenue Authority. For fiscal years 2015 up to 2020 the Bank has obtained the relevant tax certificate without any qualifications on the tax issues covered.

As at 30.09.2021, the Group has recorded provisions for tax purposes of a total amount of 1.55 million euros, out of which 0.90 million euros concern withheld tax for Greek Government Bonds of special taxed income for the tax years 2013, 2014 and 2015, which could not be netted of with tax profits in the next five tax years, 0.44 million euros concern provision for the annual commission to the Greek State for 2020 and 0.21 million euros concern provision for the annual commission to the Greek State for 2021.

25.3 Legal cases

All litigation claims against the Group are recorded and examined for the probability of success, as well as the possible outcome. For cases where a negative outcome is probable and can be reliably estimated the Group records a provision which is included in the Group and Bank's Statement of Financial Position under "Provisions for litigious cases" in line "Other Provisions". For the period ending 30.09.2021, based on the Legal Department's assessment, the estimated amount for the Group's present obligations arising from cases under litigation is 5,952 thousand euros (31.12.2020: 5,994 thousand euros).

25.4 Other provisions

As at 30.09.2021, "Provisions for credit risk coverage from off balance sheet items" amounts to 18,399 thousand euros (31.12.2020: 17,923 thousand euros).

25.5 Law 3554/16 April 2007 “Income policy period 2007, tax and other statutes”

The Extraordinary General Meeting of the shareholders of the Bank, held on 16 September 2005, as it arises from its minutes decided the rescission of the Group’s insurance contract between the Bank, the Employees’ Association and Ethniki General Insurance Co. S.A., concerning the section Capital Management of Additional Insurance and Complementary Pension Benefits (L.A.K.), and its subject to the regulations of Law 3371/2005. In the context of this decision, the Bank had recognized in its Financial Statements as of 1 January 2004 (making use of the relevant option of I.F.R.S. 1), a liability of € 26,958 thousand, which was directly charged to Equity. During the period from 1.1 to 31.12.2004 the additional charge of the Bank through the Income Statement amounted to €644 thousand. For the six month period of 2005, the plan existing at the Bank for defined benefits, the charge of the results amounted to €220 thousand.

The above amounts arose from a special financial study realized by a group of independent actuaries. The accounting treatment followed is in accordance with L. 3371/2005, which enabled the credit institutions to present in the financial statements of 2005 the financial result of the subject to these provisions of law.

Upon resolution of the aforementioned Extraordinary General Meeting, the BoD of the Bank at its session held on 14.12.2005, proceeded in an appeal against the relative contract. Afterwards, in accordance with its appeal of 28.4.2006, the Bank required the subject of the account for Insurance Cover of the employees of the Bank to the Unified Fund of Bank Employees Insurance (E.T.A.T.) as well as to Law 3371/2005, as it is applied following the amendment of the Law 3455/2006.

The Law 3554/2007, as taking into account the content of Article 9, published on 16 April 2007, regulated in the particular way the requirements due concerning the insured and retired employees of Attica Bank. In compliance with the aforementioned Article, those insured until 31.12.1992, as well as those retired who are subject to the same category belonging to Capital Management of Additional Insurance and Complementary Pension Benefits (L.A.K.), are introduced as from 1.1.2007 to the Unified Fund of Bank Employees Insurance (E.T.A.T.) and the relevant decision of E.T.A.T. numbered 67 of the 61st session as at 08.05.2007 was publicized.

Concerning the introduction of Complementary Pension Benefits (L.A.K.) into E.T.A.T., there was made a reversal claim No. 4686/2006 by the Association of Attica Bank Employees as against the No. 22/23/17.05.2006 decision of E.T.A.T..

Furthermore, there were made reversal claims No. 4693/2007 by the Greek Association of Attica Bank Pensioners as against the decision of E.T.A.T. 61/08.05.2007 and 4635/2007 reversal claim by the Capital Management of Additional Insurance and Complementary Pension Benefits as against the decision of E.T.A.T. 61/08.05.2007. The aforementioned reversal claims were heard in the Supreme Court of the Council of State on 26.09.2008.

Furthermore, there are pending reversal claims made by the associations of employees of third party banks as against the P.D. 209/2006 making provisions for the E.T.A.T. operation. The Bank has exercised the claim in favor of the P.D. on E.T.A.T. The aforementioned claims were also heard in the Supreme Court of the Council of State on 26.09.2008.

For the aforementioned legal cases, the Supreme Court of the Council of State publicized the 2197-2202/2010 decision. According to the provisions of the decision, the introduction of Complementary Pension Funds (including L.A.K. I) in E.T.A.T has been finalized as legally sound and constitutional, provided that it is a temporary measure for the management of insurance and pension cases until the civil courts to decide upon the decomposition of Complementary Pension Funds and release the Banks from their relative obligations. Consequently, the decision of the Council of State is considered as temporary and the permanent decision will be heard by the civil courts.

In the civil courts to which the matter was essentially referred by the State Council regarding the above-mentioned decisions, a lawsuit against the Bank concerning the incorporation of LAK into ETAT was filled by the Bank of Attica Employees Association, the Insurance Coverage Account of Attica Bank Employees and other bodies and individuals. The lawsuit was overruled following No. 2970/2008 decision of the First Instance Court of Athens. An appeal (Num. 10508/2010) against the decision 2970/2008 has been made, after the decision heard by the Supreme Court of the Council of State, with identification number 2954/2010. This appeal was discussed at a hearing of 16.4.2013 and thereon the decision 6168/2013 of the Athens Court of Appeals was published by which the appeal is rejected entirely. This decision is immediately enforceable, but is subject to appeal to Supreme Court of the Council of State within the prescribed period.

In accordance with the aforementioned developments, the Bank had deposited to E.T.A.T., up to 31.12.2013, the amount of its seven first installments, an amount of €7,625,000 for each year. An additional deposit was made by the Bank to E.T.A.T., of the lump sum amount of €770 thousand that pertains to the return of

insurance contributions of those insured in L.A.K. after 01.01.1993. In the first quarter of 2014 the Bank deposited to E.T.A.T the eighth installment. The aforementioned amounts were determined by a special financial study carried out by the Ministry of Economy and Finance. The remaining two installments of €7,625,000.00 each and totaling €15,250,000.00, that were scheduled to be paid in years 2015 and 2016 respectively, were prepaid in June 2014 using a discount rate of 5.03% and the Bank deposited the total amount of €14,524,032.00 fully settling its obligation to E.T.A.T.. Following the above deposit, the Bank has no further obligation to E.T.A.T. regarding the introduction of its insured and pensioned employees in the program.

After the full and complete payoff of the Bank's liability to ETAT, the equity of Insurance Coverage Account (L.A.K.) with a balance of about € 35 million managed by Ethniki A.E.E.G.A., that now belongs to the Bank and is a Bank's asset, according to the Ministry of Finance financial study and the reproductions of Law 3554/2007. This equity has already been transferred to the Bank by virtue of the decision No. 8044/15 of the one-member Athens First Instance Court, issued on 28.09.2015, and designates the Bank as an associate until the trial of the main diagnostic trial. On the basis of the above, certainty is given about the final outcome of the trial.

26. Events after 30 September 2021

1. The Bank's BoD at its meeting of 19.10.2021 decided, pursuant to the law, the capitalization of the above special reserve of €151,854,439.86 and the increase of the Bank's Share Capital by the nominal value of €3,308,375.60 with the issuance of 16,541,878 common shares with nominal value of twenty cents (€0.20) per share. The positive difference between the amount from the special reserve corresponding to the warrants, i.e. the amount of the redemption value of the warrants (as calculated according to par. 2 of art. 27A of L. 4172/2013 and art.5 par.1 of PYS) and the nominal value of the new shares, i.e. cumulative amount of €148,546,064.26, will credit the account "Above par" of the equity of the Bank, according to art.5 par.6 of PYS. As a result, the total share capital of the Bank, will amount to € 4,845,889 divided to 24,229,445 common, ordinary shares with nominal value of twenty cents (€0.20) per share.
2. As at 5 November 2021, the Bank's Board of Directors at its meeting of 05.11.2021, pursuant to the authorization granted to the BoD by the resolutions of 07.07.2021 and 15.09.2021 of the General Meeting of the Bank's shareholders, approved the following:
 - (i) The share capital increase, up to the amount of 240,000,000 Euros (the "Increase"), with the issuance up to 1,200,000,000 new, common, registered shares with voting rights with a nominal value of € 0.20 each (the "New Shares"), through cash payment with pre-emptive rights in favour of its existing shareholders. The beneficiaries of pre-emptive rights in the Increase will be entitled to acquire New Shares with a ratio of 49.5265161872259 New Shares to 1 old one. In the event that the amount of the Increase is not fully covered, the share capital will be increased up to the amount of the coverage, in accordance with article 28 of L 4548/2018.
 - (ii) The offer price of the New Shares at 0.20 Euros per New Share (the «Offer Price»).
3. The Board of Directors, during the meeting of November 24th elected, following the suggestion of the Hellenic Financial Stability Fund, as a new non-executive member of the Board Mr. Avraam Moissis of Ezra, as a representative of the Hellenic Financial Stability Fund in accordance with the provisions of law 3864 / 2010 and its rights. This election is valid pursuant the provisions of law 3864/2010 and the indication of the Fund is maintained and in any case until the end of the term of the present Board of Directors.
4. The Bank as at 4 October 2021 sold 95% of the Class B Mezzanine Notes and 95% of the Class J Junior Notes of Omega securitization. The result of the transaction will be reflected in the annual financial statements of 31.12.2021.
5. On 21 of December 2021, the Bank announced that the Share Capital Increase of 240 million euros was successfully completed with full subscription. A percentage of 89.77% of the Share Capital Increase was subscribed for by investors exercising their pre-emptive rights, with payment of a total amount of € 215,441,058.80 corresponding to 1,077,205,294 New Shares, of which 753,826,957 New Shares were subscribed for by the Hellenic Financial Stability Fund (HFSF), 176,368,926 New Shares were subscribed for by the Engineers and Public Works Contractors Fund (TMEDE), and 123,886,938 New Shares were subscribed for by the Electronic Unified Single Social Security Agency (e-EFKA). Therefore, 122,794,706 New Shares remained unsubscribed and were allocated by the Board of Directors of 20.12.2021 as follows: (a) 1,932,868 New Shares, corresponding to a total amount of € 386,573.60, were allocated to investors that have expressed interest until 17.12.2021 and (b) 120,861,838 New Shares, corresponding to a total amount of € 24,172,367.60 that have been allocated to the company RINO LTD, pursuant the binding basic terms and conditions agreement of 09.12.2021 (the "Agreement") between TMEDE, HFSF and "Ellington Solutions S.A." and "ES GINI Investments Limited", as the terms of the agreement were disclosed to the Bank. As a result of the above, the final subscription percentage of the Share Capital Increase amounts to 100.00% and the amount of funds raised to €240,000,000 and the Share Capital Increase expenses amounted to 8.4 million euros, while the share capital of Attica Bank was increased by an equal amount with the issuance of 1,200,000,000 new common, registered voting shares, each with a nominal value of €0.20.