INTERIM FINANCIAL REPORT

For the period from 1st January to 30th June 2021

(In accordance with L. 3556/2007)

TABLE OF CONTENTS OF INTERIM FINANCIAL REPORT

I. STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS

To the best of our knowledge, the Interim Condensed Financial Information for the period ended on 30.06.2021, approved by the Board of Directors, has been prepared in accordance with the applicable accounting standards (International Financial Reporting Standards), give a true and fair view of the assets, liabilities, equity and results of the period for Attica Bank and the entities included in the consolidated financial statements as a whole, in accordance with article 5 paragraphs 3 – 5 of L 3556/2007, and the Board of Directors' interim management report presents fairly the information required by article 5 paragraph 6 of L.3556/2007.

Athens, 1st September 2021

For the Board of Directors

THE CHAIRMAN OF THE B.O.D.	**THE CHIEF EXECUTIVE OFFICER**	**THE MEMBER OF THE B.O.D**
KONSTANTINOS G. MAKEDOS	THEODOROS N. PANTALAKIS	SOTIRIOS G. KARKALAKOS
ID No. AZ 148332	ID No. AE 119288	ID No. AB 293880

Board of Directors' Interim Management Report

Introduction

Dear shareholders,

We present to you the annual report of the Board of Directors for the fiscal year 01/01/2021 to 30/06/2021. This report includes in summary information about the Group and the Bank "ATTICA BANK SOCIETE ANONYME BANKING COMPANY", financial information aimed at informing in general shareholders and investors about the financial state and results, the overall course and the changes that took place during the fiscal year under review (1/1/2021-30/06/2021) as well as important events and the impact thereof on the financial statements for this fiscal year. Furthermore, the main risks and uncertainties that the Group and the Bank may face in the future are described and the most important transactions executed between the Bank and persons related to it are listed.

For the first six month period 2021, the financial context was as follows:

International Economy: Slowing the recession in Early 2021, mainly by resurgence of world trade

COVID-19 pandemic has continued to put pressure on global economic activity in first quarter of this year, less however than in the previous quarter. The recession rate in OECD countries was 0.4% in the first quarter of 2021, from 2.9% a quarter before and 4.4% in the year ending of 2020. The GDP change thereof in the most developed economies (G7) stood at -0.7% in the first quarter, compared to -3.2% in the previous quarter. On the contrary, in the 20 largest OECD economies the recession intensified to 3.4% from 0.7% a quarter earlier. China's economy grew in the first quarter of 2021 with a rate of 18.3%, which is the highest at the last 30 years. **Therefore, the slowdown of world's GDP decline came mainly from the most developed economies and China.** De-escalating the recession or turning to recovery in some countries is mainly due to the strong resurgence of international trade.

Strong fiscal support measures continue to support economies, especially the most developed, where fiscal space is greater and borrowing costs remain very low. On the other hand, the impact of the support measures on their fiscal balances is expected to lead them, again this year, close to last year high deficit levels. This entails **a significant burden on public debt, and in countries where it is already high, may create a refinancing problem in the future. Inflation** has recovered in most OECD countries (3.3% in April) from the low levels that was in the beginning / middle of 2020. This trend is due to low base effects in 2020, but also due to sharp rise in commodity prices and resurgence of consumer demand with gradual opening of economies.

Euro area: **decrease of recession, mainly due to lower negative impact of domestic demand**

Euro area GDP fell 1.2% from January to March of 2021, following a recession of 6.6% in 2020 and 4.7% on its last quarter. Domestic demand continued to be the main recessionary factor, but with a much milder negative effect than in the previous quarter (-2.9 percentage points of GDP, compared to -5.5 p.p.). This slowdown has come mainly from the slighter negative impact of investments (-0.6 pp of GDP, versus -2.1 pp), while the Household consumption reduced GDP by 2.9%, from -4.0% a quarter earlier. In this also contribute the net exports,that stimulated it by 1.7%, compared to 0.8% in the period of October to December. While the recession in the Eurozone de-escalated, employment continued to decline in the first quarter of 2021 at the same rate with the previous quarter, by 1.8%, faster than the average in 2020 (-1.6%). Unemployment increased in the first quarter of 2021 to 8.5%, from 8.0% in the fourth quarter of 2020 and 7.8% from last year. According to the latest available statistics, presented by the European committee, Unemployment in Euro zone in the first half of 2021 fell to 7.7% from 8.0% in the first half of 2020.

Restrictive in the recession continued to act in the first quarter of this year fiscal interventions, with the contribution of public consumption to GDP being positive and stable from the third quarter of 2020 (+ 0.6%). As a result of the support measures**, the average primary deficit in the fiscal balance of the General Government last year amounted to 5.7% of GDP in 2020, compared to a primary surplus of 1.0% in 2019. In the first quarter of this year the average level in the European area was 7.6% of GDP.** The most important fiscal interventions to handle the pandemic, medium-term horizon, is the European Recovery Fund (NextGenerationEU) and the strengthening of the EU budget for the period 2021-2027.

At the same time as the pandemic spread to Europe, ECB began taking monetary measures policy aimed to invigorate liquidity for governments and the private sector. The most important of these interventions is the ECB Pandemic Emergency Purchase Program - PEPP), purchasing budget € 1.85 trillion after of two its enlargements. The duration of 'PEPP' has been extended until at least March 2022, with ECB reinvest the mature securities that buy at least until the end of 2023. By the middle of July 2021, net worth of securities purchases had reached € 1.23 trillion. The ECB is expanding supply liquidity by facilitating the conditions under which government securities, securities banks and the wider private sector are accepted as collateral by the central bank. **Despite the extraordinary financial interventions, investments in the Euro zone continued to decline at the beginning of 2021 (-2.9%), however, much milder than in the previous quarter (-9.4%) and a total of 9.3% in 2020**.

US: Trend shift from recession to recovery, under strong fiscal intervention

The US economy grew at an annual rate of 0.4% from a recession of 2.4% last quarter and an average drop in GDP of 3.5% last year. The federal government of The US continues to provide particularly strong fiscal support to handle the consequences of pandemic, with a corresponding impact on the fiscal deficit, which is expected to remain in particularly high levels this year, over 10% of GDP. The impetus for consumer and business confidence is important, while employment rates are improving, with the unemployment rate is on 6.0% in the first quarter of this year, from 13.0% in the second quarter of last year, as the economy has gradually open and vaccinations are making a significant progress**. At the same time, the central bank ('Federal Reserve - Fed') continues to support the banking system and financial markets to maintain key interest rate at 0-0.25%** In addition, from the beginning of the pandemic has increased the size of its balance sheet by about 4 trillion dollars (19% of GDP). In June, revised upwards its estimates for the US economy inflation for this year, at 3.4%, well above of 2.2% that forecast in March, claimed however, that inflationary pressures will be temporary. He also pledged to continue supporting the recovery of the economy, seeking the significantly reduce of unemployment.

Asia: Recovery in stronger economies boosts, with significant differences in the rate between countries

China's economy recorded a sharp acceleration in its growth rate in the first quarter of 2021, to 18.3%, from 6.5% in the previous quarter and a decline of 6.8% a year earlier. According to provisional data, in the second quarter of this year, growth slowed to 7.9%, due to less favorable base effects. **Export expansion remains strong, improving the current account balance. Supportive monetary policy also continues.** On the other hand, fiscal support is gradually being phased out and credit expansion is more restrained. Significant financial risks remain, especially from the increased debt of the corporate sector. **The second largest economy in Asia, India, grew 1.8% in the first quarter of this year, compared to 0.5% in the fourth quarter of 2020** and a recession of 7.7% last year.The strong resurgence of the pandemic in the country due to current spread of a more contagious corona virus mutation and low rate vaccine coverage has a deterrent effect on buoyancy recovery. Monetary policy remains supportive, however fiscal support is now limited.

Greek Economy: weakening recession, from investments and exports. Fiscal support interventions, with a high budgetary impact.

The effects of COVID-19 pandemic on Greek economy continued in the first quarter of 2021. However, they were clearly milder than in the last quarter of 2020 and overall in last year. Specifically, **the country's GDP fell by 2.3% from January to March of this year compared to a year earlier with a decline of 6.9% in the previous quarter and a decline of 8.2% overall in 2020.**
On the demand side of the economy, weakening of the recession compared to the fourth quarter of 2020 was mainly due to the change in investment from sharply declining (-17.1%) to slightly upward (+ 1.0%). Among the fixed capital categories, mainly the mechanical equipment-weapons systems (+ € 186 million or + 16.1%) and the Information-Communication Technologies equipment (+ € 184 million or + 39.1%) were strengthened. The recession also came from the smaller decline in services exports, which nevertheless remained strong (-38.7% -44.5%), while exports of goods expanded again, but more slowly than the end of 2020 (+ 8.2% vs. + 13.7%). Overall, exports fell by 13.4%. As for the other part of external balance, rate of decline in imports also slowed in early 2021 compared to previous quarter, to 5.0% from 8.8%. This trend came from the significant smaller decline of imports services, by 9.2% from 30.7%, as imports of goods fell slightly more (-3.0% than -

2.0%). Consumer demand, continued to decrease on the household side (-4.9%) and at the same time was milder the expansion of consumer public expenditure (+ 4.9%, then + 7.3%).

In regard to the production capacity of the economy, gross value added (GVA) decreased by 2.0% in the first quarter of this year, compared to a decrease of 5.6% from October to December last year and 8.1% decline in 2020. **In regard to the main sectors, activity in terms of GVA increased at the beginning of this year mainly in construction (+ 14.3%), in public administration-social security (+ 4.6%) and information-communication (+ 3.9%).** The lowest product increase was recorded in industry (+ 2.3%) and in the primary sector (1.2%), partly due to the increased export of products. On the other hand, the decline of the product was stronger in art-entertainment (-34.9%) and in the wholesale - retail, transport - storage, hotels – restaurants (-12.0%), reflecting the impact of restrictive measures on pandemic protection. The professional - scientific - administrative ones followed a decrease in the volume of activity activities (-5.4%) and financial-insurance activities (-3.1%).

In the first quarter of 2021, the average unemployment rate rose by 0.9 %, compare to the decline by a percentage point observed in 2020 at comparison with 2019 (16.3% vs. 17.3%, respectively), which was the largest that observed in the EU. However, although employment declined from January to March by 227.5 thousand people from last year, the number of unemployed showed a marginal increase, only by 0.3 thousand, in 745.4 million. **Almost the entire drop in employment (227.2 thousand) was out of work potential. Similar trends, however much milder, are recorded from the beginning of the pandemic, as a large proportion of those who lost their jobs were discouraged by conditions for searching for a new one.** Most of the jobs were lost in sectors of tourism (-135.9 thousand), wholesale - retail (-53.3 thousand) and transport - storage (-23.0 mm). On the other hand, the increase in jobs was mainly presented in the public administration - defense - social security (+38.9 mm), scientific and technical activities (+34.3 mm) and the primary sector (+19.6 mm or + 4.6%).

Public finance was strongly affected by the measures taken to protect public health and to assist businesses and households in early 2021. **Assists by the beginning of April 2021 exceeded € 14 billion, against a target of € 7.54 billion in the State Budget Report**. Under these extraordinary expenses, main deficit of the General Government was formed in the quarter of January to March this year in 15.3% of GDP, compare to a deficit of 4.2% of GDP a year ago. At the same time, public debt amounted to 209.3% of GDP, from 180.7% at the beginning of 2020. Despite the deterioration of public financial, interventions by the European Central Bank due to the pandemic of the stimulation of liquidity, in which Greece has joined, have led the bond yields of the Greek state at minimum levels over time. In this context of developments, **the burden on new cost of the Greek State 10-year borrowing compare to other countries of "South" Euro area, declined slightly in the first four months of 2021 compared to last quarter o 2020, at 0.43 from 0.47 basis points.**

Banking system: Supply of liquidity in economy continues, utilizing ECB policy measures and interventions to support borrowers domestically

Among the positive developments of the first months of 2021, the consistently high liquidity supply to the banks stands out, at low cost, the systematic increase in private deposits, and the low cost of borrowing in public and private sector. **Among the challenges,** stands out the high reserve of non-performing loans, recording stagnation in the first quarter of the year, in 30.3% of total loans. According to the Interim Monetary Policy Report of the Bank of Greece (June 2021), banks continued to record losses in the first quarter of 2021 due to the increased provisions for non-performing loans under pandemic conditions. Capital ratios have declined, but remain at satisfy levels, and the report deemed important decisions for share capital increases of some banks

Two factors significantly contributed **to ensuring adequate liquidity for banks and borrowers** affected by the crisis: firstly**, at the level of a common European monetary policy, the ECB continued to facilitate the liquidity supply in Greek banks,** and stimulate demand for Greek government instruments throw securities purchase program PEPP. The government bond acquisitions under this program cumulatively exceeded to € 25.7 billion in the period from March 2020 to May 2021. At the same time, the possibility of long-term low-cost refinancing for banks (eg TLTROs) became particularly important in the second half of 2020 and the first half of 2021. **At a national level, continued the implementation of emergency fiscal and other measures to support borrowers.** Examples of these are the temporary interest rate subsidy by the state for corporate loans and loans to individuals with a first home mortgage, as well as the temporary suspension or subsidy of selected loan installments by banks.

In regard to **financing the real economy,** lending to non-financial corporations and the self-employed leads to credit expansion, at a slower pace, with an average 12-month growth rate of 8.5% and 3.5% respectively in the first five months of 2021 (from 9.8% and 1.8% at the end of 2020).On the contrary, the contraction towards households continued by 2.5%. The largest credit expansion to businesses in early 2021 was recorded in service sectors such as Transport, Tourism, Real Estate Management, Shipping and Commerce. Reduction was recorded only in the Construction sector

In regard of interest rate trends, they remain very low, although in real terms the level is higher due to anti-inflation. The average nominal interest rate on new deposits decreased marginally in the first five months of 2021 to 0.07% from 0.08% in 2020. Respectively, the average interest rate in new loans decreased to 3.9%, from 4.1% in 2020. Subsequently, the average margin interest rate stood at 3.8% in the first five months of 2021, up from 4.0% in the previous year.

A. FINANCIAL DEVELOPMENT AND PERFORMANCE OF REPORTING PERIOD

Key Figures and Results of the Group

The key figures and results of the Group for the period 01.01.2021 – 30.06.2021 and their respective variance are as follows:

- Total Assets of the Group stood at 3,647 million euros, increased by 2% compared to 2020
- Total loans (loans and corporate bonds) stood at 2,066 million before provisions for impairment, marginally increased by 4% compared to 2020.

Group loans and advances to customers are presented in the following table:

(in million euros)	30.06.2021 (1)	31.12.2020 (2)	Variance % (1)/(2)
Loans and advances	**1,615**	**1,564**	**3%**
Out of which:			
- Consumer Loans	103	96	7%
- Credit Cards	22	22	-1%
- Mortgages	380	386	-2%
- Finance Leases	104	105	-1%
- Public Sector	25	26	-4%
- Corprorate	977	923	6%
- Other	5	5	-3%
Corporate bonds	451	423	7%
Total Loans and advances	**2,066**	**1,987**	**4%**

Group loans and advances to customers are presented in the following table Group during the period 01.01.2021 – 30.06.2021:

	30.06.2021	
	Balance (in million euros)	Number of clients
Retail lending	**13**	**1,212**
Corporate Lending	**171**	**180**
Small industries	1	2
Industrial	24	20
Commercial	31	48
Tourism	2	6
Energy	7	8
Construction	71	16
Technical companies	1	3
Transporation	1	2
Agricultural	1	1
Financial Services	2	2
Medical	0	1
Other	30	71
Total	**184**	**1,392**

- The balance of the deposits as at 30.06.2021 stood at 2.896 million, increased by approximately 3% compared to 31.12.2020.

The following table presents the Group deposits:

(in million euros)	30.06.2021 (1)	31.12.2020 (2)	Variance % (1)/(2)
Deposits	**2,896**	**2,801**	**3%**
- Sight Deposits	1,193	1,166	2%
- Term Deposits	1,702	1,635	4%
Total Deposits	**2,896**	**2,801**	**3%**

Results on consolidated basis

(in thousand euros)	6M 2021	6M 2020	Variance %
Net Interest Income	28,784	23,628	22%
Net Commission Income	2,008	1,328	51%
Profit / (loss) from financial transactions	(6,109)	8,123	-175%
Other income / (expenses)	1,669	1,239	35%
Operating income	**26,351**	**34,318**	**-23%**
Personnel expenses	(17,383)	(17,558)	-1%
General operating expenses	(8,940)	(8,043)	11%
Depreciation expense	(7,033)	(6,400)	10%
Total operating expenses	**(33,355)**	**(32,002)**	**4%**
Profit / (Loss) before tax and provisions	**(7,004)**	**2,316**	**-402%**
Provisions for expected credit losses and other impairment	(5,403)	(27,836)	-81%
Impairment charge for other assets	(250)	(1,260)	-80%
Staff leaving expense	(209)	(1,172)	-82%
Results from investments in associates	319	417	-23%
Profit / (loss) before income tax	**(12,546)**	**(27,535)**	**-54%**
Profit / (loss) for the period	**(19,496)**	**(29,547)**	**-34%**
Total comprehensive income / (expenses), after income tax	**(19,154)**	**(31,376)**	**-39%**

- Net Interest Income stood at 28.8 million euros, increased by 22% compared to respective period of 2020, mainly due to both the improvement of interest income on loans to customers, which increased by 3% and lower financing costs of the Bank's operations, as a consequence of the repricing of deposit products as well as the de-escalation of financing costs of the funding raising mechanisms. It should be noted that based on the Business Plan 2021-2023, the new financing and refinancing for 2021 is budgeted over 280 million euros, as a result the maintenance of trend increasing of net interest income throughout 2021.

- Net commission income stood at € 2.0 million euro, increased by € 0.67 million compared to respective period, mainly due to the increase in commission income by € 1.2 million through the increase in commission from transactions with use of credit and debit cards as well as increased commissions due to loans, mainly due to the increase in commission income, by € 1.2 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 starting on 31 March 2021, 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 0.8 million euros in the current period compared to 30.06.2020, while on the period 01.04.2021 to 31.12.2021 the savings are expected to amount to 2.6 million euros

- Results from financial transactions on 30.06.2021 are significant decreased compared to respective period and amounted to a loss of approximately 6.1 million euros, which resulted mainly from the sale of Greek government bonds, due to Group's actions to limit valuation losses, given the increase in yields and reduction in bond prices .

- Total operating income stood at 26.4 million euros, compared to 34.3 million euros in the respective period of 2020, decreased by 23% mainly due to the significant deterioration of the results from financial transactions.

- Excluding the results from financial transactions, total banking income (net interest income and net commission income) is increased by 23% compared to 30.06.2020.

- Personnel expenses stood at 17.4 million euros, marginally decreased by 1% compared to respective period of 2020. As at 30.06.2021, the number of staff was 746 employees (30.06.2020: 770 employees).

- Bank’s branch network amounted to 52 branches as at 30.06.2021, compared to 54 as at 31.12.2020.

- General Operating Expenses amounted to 8.9 million euros as at 30.06.2021, increased by 11% compared to the respective period (30.06.2020: 8.0 million euros).

- Provisions for credit risk in the first half of 2021 amounted to 5.4 million euro, and are analyzed as follows: provisions for impairment of loans and receivables from customers amounting to 5.8 million euro, provisions for impairment for off-balance sheet items to 0.27 million and reversal of provisions for impairment and valuation results for financial assets amounting to 0.69 million euros. As a result, provisions for credit risk to total income ratio amounted to 20.5%. Accumulated provisions for impairment of loans and receivables amounted to 386.7 million Euro (31.12.2020: 386 million Euro). The coverage ratio for non-performing exposures (NPE’s EBA Definition) amounted to 40.48%. The cost of risk for loans in relation to the average balance of loans and receivables to customers in the first half of 2021, amounted to 0.6%.

- Accumulated provisions cover 18.7% of loan portfolio without taking into account in collaterals.

- Basic profit / (loss) per share amounts to loss of 0.0423 Euro, compared to losses of 0.0641 on 30.06.2020.

- Group’s Return on Equity after tax on 30.06.2021 amounts to -10.4% compared to -6.4% in the respective period ended of 2020.

- The relevant expense to total income ratio for the first six month period of 2021 was 126.6% compared to 96.3% for the comparative period, if non-recurring profit for the fiscal years under review are not included. Non-recurring profit for 2021 and 2020 is as follows:

	Description	30.06.2021	30.06.2020
Non - recurring profits	Profit from sale of Attica Wealth Management M.F.M.C.	0	1,103
	Total non - recurring profits	**0**	**1,103**

The following table lists Results before and after tax for the Group's entities:

		Profit / (loss) before tax		Profit / (loss) after tax and minority interests	
Entity (in thousand euros)	**Consolidation method**	**6M 2021**	**6M 2020**	**6M 2021**	**6M 2020**
Attica Bank S.A		(12,660)	(27,046)	(19,570)	(29,012)
Attica Wealth Management M.F.M.C.	Subsidiary (Full consolidation)	(0)	(0)	(0)	(0)
AtticaBank Properties S.A.	Subsidiary (Full consolidation)	0	98	0	98
Zaitech Innovation Venture Capital Fund	Associate (Equity method consolidation)	370	455	370	455
Attica Bancassurance Agency S.A.	Subsidiary (Full consolidation)	164	197	125	150
Thea Artemis Societe Anonyme for Management of Loans and Appropriations	Associate (Equity method consolidation)	(50)	(38)	(50)	(38)

● ***The amounts in the above table are presented before eliminations.***

Events that took place during the first semester of the fiscal year and their effect on the financial statements

1. Attica Bank 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. Consequently, from the above date, Attica Bank is no longer subject to the commitments of this program, such as, among other things, the obligation to appoint a representative of the Greek State to the Board of Directors of the Bank. The annual savings for the Bank and the Group amounts to approximately € 3.5 million, which corresponds to the commission return to the Greek State for its guarantee.
2. 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 BoD of the Bank as an additional member. The representation of the Bank is maintained as is, i.e. according to the minutes No. 1334 / 10.11.2020 and 1335 / 30.11.2020 of the Board of Directors
3. On 27th April 2021, the Bank decided to proceed with the securitization “Omega”, which includes the loans of the existing securitization under the name “Artemis” of almost the total portfolio of the non-performing exposures of the Bank as at 31.12.2020. With the “Omega” securitization a series of consecutive securitizations, started on December 2016, of a total amount of approximately €3 billion is concluded for Attica Bank.
4. On 14 May 2021, the Bank, in implementation of the decisions of its Board of Directors meeting, announced Voluntary Retirement Scheme. The first phase of this program has already been completed with the participation of 60 people, which corresponds to an annual savings of approximately 2.5 million euro.
5. On 14th May 2021, the Bank, following its announcement on 27.04.2021 regarding the “Omega” securitization (formerly known as Artemis), informed the investing public for the binding proposal received, for the acquisition of the Junior and Mezzanine Notes of the securitization, as well as the majority capital share of "Thea Artemis Societe Anonyme for Management of Loans and Appropriations" by Ellington Solutions S.A., which was accepted in its context by the Bank.
6. On 18th June 2021, Bank announced branch operational termination in Pyrgos.
7. On 25th June 2021, Bank announced branch operational termination in Agios Dimitrios

Significant events that took place after 30 June 2021

1. On 2nd July 2021, Bank announced branch operational termination in Psyxiko and Keratsini
2. On 06.07.2021, was issued the Act No 28 of the Council of Ministers, concerning the activation of the provisions of article 27A of law 4172/2013 and the conversion of the deferred tax asset into a deferred tax credit, which is estimated, according to current data, to lead to the improvement of the regulatory capital quality and the further improvement of Bank and Group liquidity. Pursuant to Article 27A of Law 4172/2013, the amount of the final and cleared deferred tax claim against the Greek State amounts to 152 million euros.
3. As at 7 July 2021, the Board of Directors of the Bank approved, unanimously for implementation of the provisions of article 27A of law 4172/2013, the Board of Directors of the Bank proposed to the General Meeting, the formation of a special reserve (corresponding to 100% of the tax requirement), which is intended exclusively for a Share Capital Increase, free (without consideration) issuance of title deeds to the Greek State, which correspond to common shares of total market value equal to one hundred percent (100%) of the amount of the final and cleared tax claim.
4. 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.
5. On 28 of July 2021, the Bank received a non-binding offer for the sale of the mezzanine note of Astir 1 securitization. The due diligence process by the interested investor continues and it is estimated that around mid-September 2021 the relevant binding offer will be received.
6. 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 Greek State, i.e. 151,854,439.86 euro.
7. Attica Bank informs its investors, that the Board of Directors on 12th August of 2021 has decided unanimously, following the implementation of the activation of the provisions of article 27A of Law 4172/2013 ("DTC") and the relevant articles of the Cabinet Act No. 28/06.07.221, the subsequent decisions:

- 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.

8. On 16th of August, following the stock exchange announcement of 12th of August 2021, the Bank decided the issuance of 992,512,679 free (without remuneration) warrants in favor of the Greek State in accounting form, by crediting them to the Securities' Account preserved by the Greek State in the General Depository System.
9. 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.

10. 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. The impact of this transaction on the Bank's financial position and financial results will be reflected in the financial statements as at 30 September 2021.

B. Anticipated course and development

In 2021, Attica Bank continued its effort to support businesses and households amidst unprecedented times of uncertainty and economic instability due to the coronavirus pandemic. The Bank actively participated in all support funding programs, covered by state bodies' guarantee, for the benefit of its customers and also increased financing in order to support the real economy. Namely, loans before provisions amounted to €2.1 billion, i.e. an increase of 4% compared to 31.12.2020.

New financing and refinancing for the period under review amounted to around €184 million, out of which €171 million for corporate banking and €13 million for retail banking. The average ticket for business and private loans amounted to €413.6 thousand and to €9.6 thousand respectively.

In regard to liquidity, customer deposits increased by around €1 billion from 2016 until 30.06.2021, and in the first quarter of 2021, this rising trend continues with the balance of customer deposits amounting to €3 billion. The Bank no longer use the extraordinary liquidity mechanism (ELA), from 31.03.2021 the Bank ceased to use the provisions of Law 3723/2008 on "Strengthening Liquidity of the Economy for Dealing with the Impact of the International Financial Crisis" and at the same time Pillar II. In particular, for the period 30.06.2021, financing from the Eurosystem increased to 210 million Euro, mainly because of transactions of longterm refinancing, while the use of the interbank repo market amounted to €42 million compared to 200 million in the end of December 2020. Thanks to the significant improvement of liquidity, the Group focused more on managing cost in the last quarters in an effort to achieve a balance between attracting deposits and reducing interest rate expenses. The new collaboration between the Bank and Raisin Company, a platform provider that enables the acceptance of deposits from EU citizens, through which inflows increased by €115 million during the first half of 2021.

At pro forma level, the Bank's Non-Performing Loans amount to only 1%, following the "Omega" and "Astir" securitizations, which are in an advanced stage of implementation. In addition to the innovative and direct way of dealing with NPLs, Attica Bank also becomes the first Bank that issue the deferred taxation, with the activation of Article 27A, of Law 4172/2013, and the conversion of approximately 152 million euros in final and cleared tax claim, which was received on 06.08.2021.

For the purposes of implementing its strategy, Attica Bank adopted the principles of sustainable banking and drafted a Business Plan. The Bank has put in the center of business plan the utilization of business opportunities, with the creation of modern banking financing products of the environmental strategy of its customers, as well as the completion of its digital and business transformation, and the restructuring of its branch network, whose operating model will be changed for the modern needs. Over the next three years, the Bank will focus on the main strategic sectors of Environment, Energy and Infrastructure as well as small enterprises and the self-employed.

Attica Bank's strategy for the period 2021-2023 can be summarized as follows:

- Doubling of the Bank's loans and advances to customers through the increase in loans to the sectors of infrastructure/construction, energy and environment. The aim is to finance the project's ecosystem and all self-employed professionals who are involved in the implementation thereof. The increase in loans budgeted for 2021 amounts to €290 million, out of which €200 million concern new business loans and €90 million concern retail banking.

- A further increase in the depositor base through competitive pricing and the utilization of the provision of digital services to the public, including the ATM network.

- An expansion of current sources of income. The Bank places particular emphasis on the conclusion of strategic alliances, i.e. its expansion in the sector of bancassurance products in collaboration with Interamerican Group.

- Full cleaning of the Bank's portfolio through the management of the remaining portfolio of non-performing exposures, with the aim to reduce to zero legacy non-performing exposures in 2021.

- The digital transformation of the Bank. The Bank has already undertaken actions regarding the digitalization of services provided to its clients as well as the automation of procedures so that it may offer customized and high quality services quickly and safely. The coronavirus outbreak in our country has significantly accelerated Attica Bank's progress in this sector, which can be proven by the increased use of Attica Bank’s digital channels, since the pandemic outbreak. This is confirmation of the fact that the Bank has an adequate infrastructure that was systemically developed since the end of 2016, so that it may respond to its customers' needs. The Bank aims to offer a great number of digital services to retail customers and small and small-medium enterprises based on direct service via digital channels without physical presence. The process of digital transformation is under way and the first digital services will be available to the public in the third quarter of 2021.

C. TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties were executed within the Group's usual operational framework and on a purely commercial basis. Based on their categorization as transactions with related companies and with members of the Management, these transactions are as follows for the fiscal year ended on 30.06.2021:

C1. Transactions with related parties

Receivables

Company (amounts in thousand €)	Attica Bank's Participation as at 30.06.2021	Participation	Loans	Other
Attica Bancassurance Agency S.A.	100	100%	0	0
Zaitech Innovation Venture Capital Fund	4,693	50%	0	0
Thea Artemis Societe Anonyme for Management of Loans and Appropriations	48	20%	6,082	0
Total	**4,841**		**6,082**	**0**

Liabilities

Company (amounts in thousand €)	Sight Deposits	Term Deposits	Expenses payables
Attica Bancassurance Agency S.A.	966	3,002	0
Zaitech Innovation Venture Capital Fund	3,335	0	0
Thea Artemis Societe Anonyme for Management of Loans and Appropriations	574	0	0
P.W.E.F. (Public Works Engineers Fund)	78,603	0	0
S.S.S.B. (Single Social Security Body)	176,870	0	0
TAPILT-AT	0	3,000	0
Total	**260,348**	**6,002**	**0**

Income

Company (amounts in thousand €)	Rental Income	Commission Income	Interest Income
Attica Bancassurance Agency S.A.	1	0	0
Thea Artemis Societe Anonyme for Management of Loans and Appropriations	0	0	73
Total	**1**	**0**	**73**

Expenses

Company (amounts in thousand €)	Interest Expense	Services rendered	Interest expense from bond loan
Attica Bancassurance Agency S.A.	7	0	0
Zaitech Innovation Venture Capital Fund	0	0	0
P.W.E.F. (Public Works Engineers Fund)	311	0	0
S.S.S.B. (Single Social Security Body)	458	0	0
TAPILT-AT	12	0	0
Total	**788**	**0**	**0**

C2. Transactions with members of the management

The table below lists the transactions with members of the Management (Chairman and Chief Executive Officer, members of the Board of Directors, members of the Executive Committee) at 30.06.2021 as well as the members of the Assets - Liabilities Management Committee at Bank and Group level:

Transaction with members of the Management

(amounts in thousand euros)	Group	Bank
Receivables	54	54
Liabilities	705	705
Interest income	0	0
Interest expense	3	3
Wages and Salaries	754	754
Board of Directors' fees	234	234

According to European Securities and Markets Authority (ESMA) guidelines in relation to Alternative Performance Measures (APMs) which published in October 2015 and came into force on 3 July 2016, on the following tables are disclosed the definitions and the calculations of the related (APMs) which are included to Board of Directors interim Financial Report 2021.

	Definition	Calculation			30.06.2021	31.12.2020
Accumulated Provisions to cover Credit Risk / Loans and advances to customers before provisions	The ratio reflects the relationship between the total provisions to cover credit risk to total loans and advances	Numerator	+	Accumulated provisions to cover credit risk	386,715	385,997
		Denominator	+	Loans and advances to customers before provisions	2,066,486	1,986,943
		Ratio	=		**19%**	**19%**

	Definition	Calculation			30.06.2021	30.06.2020
Provisions to cover Credit Risk of the current year / Income from Operating Activities	The ratio reflects the relationship between the provisions to cover credit risk carried out in the current year to total income	Numerator	+	Provisions to cover credit risk	5,403	27,836
		Denominator	+	Income from Operating Activities	26,351	34,318
			-	Non-recurring Income *	0	1,103
		Ratio	=		**21%**	**84%**

	Definition	Calculation			30.06.2021	30.06.2020
Profit / (Losses) after taxes / Income from Operating Activities	The ratio reflects the relationship between the Profit or Loss after tax and the Total Income	Numerator	+	Profit / (Losses) after taxes	(19,496)	(29,547)
		Denominator	+	Income from Operating Activities	26,351	34,318
			-	Non-recurring Income *	0	1,103
		Ratio	=		**-74%**	**-89%**

	Definition	Calculation			30.06.2021	30.06.2020
Expenses / Income Ratio	The ratio reflects the relationship between recurring expenses and income of the period	Numerator	+	Personnel expenses	17,591	18,730
			-	Staff leaving expense	209	1,172
			+	General operating expenses	8,940	8,043
			+	Depreciation	7,033	6,400
		Denominator	+	Income from operating activities	26,351	34,318
			-	Non-recurring Income *	0	1,103
		Ratio	**=**		**127%**	**96%**

	Definition	Calculation			30.06.2021	31.12.2020
Loans and Advances to customers (before provisions) to Deposit Ratio	The ratio reflects the relationship of loans and advances to customers before provisions to due to customers	Numerator	+	Loans and advances to customers (before provisions)	2,066,486	1,986,943
		Denominator	+	Due to customers	2,896,037	2,801,439
		Ratio	**=**		**71%**	**71%**

	Definition	Calculation			30.06.2021	30.06.2020
Return on Equity (after taxes)	The ratio reflects the relationship of Profit or Loss (after taxes) to Equity	Numerator	+	Profit / (Loss) after taxes	(19,496)	(29,547)
		Denominator	+	Equity	187,535	462,705
		Ratio	**=**		**-10%**	**-6%**

As non-recurring income for 2020 is considered the profit arisen from the sale of the subsidiary company Attica Wealth of 1.103 million euros

THE CHAIRMAN OF THE BOD	THE CHIEF EXECUTIVE OFFICER
KONSTANTINOS G. MAKEDOS ID No AZ 148332	THEODOROS N. PANTALAKIS ID No AE 119288

CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED

30 JUNE 2021

In accordance with International Accounting Standard 34

(as adopted by the E.U.)

The Condensed Interim Consolidated Financial Information for the first semester of 2021, as well as the notes attached, have been approved by the Board of Directors at the meeting held on 1 September 2021 and have been posted on the Bank's website.

Athens, 1 September 2021

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE C.F.O.	THE DIRECTOR OF FINANCIAL MANAGEMENT
KONSTANTINOS G. MAKEDOS ID No. AZ 148332	THEODOROS N. PANTALAKIS ID No. AE 119288	NIKOLAOS L. KOUTSOGIANNIS ID No. AE 241810	EVAGGELOS G. RIZOS ID No. Ξ 989060

TABLE OF CONTENTS OF CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

Note **Page**

(Translated from the original in Greek)

To the Shareholders of Attica Bank S.A.

Report on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying interim standalone and consolidated Statement of Financial Position of ATTICA BANK S.A. (the "Bank") as at 30 June 2021 and the related standalone and consolidated statements of income and comprehensive income, Changes in Equity and Cash Flows for the six-month period then ended and the selected explanatory notes, which comprise the condensed interim financial information and which forms an integral part of the six-month financial report of articles 5 and 5a of Law 3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the International Financial Reporting Standards adopted by the European Union and specifically with International Accounting Standard (IAS) 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed[1] interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as incorporated in Greek Law, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2021 is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Report on Other Legal and Regulatory Requirements

Our review did not identify any material inconsistency or error in the statements of the members of the Board of Directors and in the information of the six-month Financial Report of the Board of Directors as defined in articles 5 and 5a of L. 3556/2007 in relation to the accompanying interim condensed financial information.

Athens, 1 September 2021

KPMG Certified Auditors S.A.
AM SOEL 114

Anastasios Kyriacoulis Certified Auditor Accountant
AM SOEL 39291

Interim consolidated income statement

		Group			
		From 1st January to		From 1st April to	
(Amounts in thousand €)	Note	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Interest and similar income		45,406	44,567	22,853	22,455
Less: Interest expense and similar expenses		(16,622)	(20,939)	(8,237)	(10,661)
Net interest income	**7**	**28,784**	**23,628**	**14,615**	**11,794**
Fee and commission income		6,636	5,473	3,726	2,634
Less: Fee and commission expense		(4,628)	(4,145)	(2,470)	(2,177)
Net fee and commission income	**8**	**2,008**	**1,328**	**1,256**	**457**
Profit / (loss) from financial transactions		(1,289)	1,434	(891)	1,595
Profit / (loss) from investment portfolio	**10**	(4,820)	6,689	48	3,982
Other income / (expenses)		1,669	1,239	1,229	547
Operating income		**26,351**	**34,318**	**16,258**	**18,375**
Personnel expenses	**9**	(17,383)	(17,558)	(9,024)	(9,019)
General operating expenses	**9**	(8,940)	(8,043)	(4,899)	(4,122)
Depreciation expense	**9**	(7,033)	(6,400)	(3,644)	(3,251)
Total operating expenses		**(33,355)**	**(32,002)**	**(17,567)**	**(16,392)**
Profit / (Loss) before tax and provisions		**(7,004)**	**2,316**	**(1,309)**	**1,983**
Provisions for expected credit losses and other impairment	**14**	(5,403)	(27,836)	(3,079)	(16,718)
Impairment charge for other assets	**9**	(250)	(1,260)	(250)	(1,260)
Staff leaving expense	**9**	(209)	(1,172)	(209)	(1,172)
Results from investments in associates		319	417	508	715
Profit / (loss) before income tax		**(12,546)**	**(27,535)**	**(4,338)**	**(16,452)**
Less: income tax	**11**	(6,950)	(2,013)	(9,320)	(549)
Profit / (loss) for the period		**(19,496)**	**(29,547)**	**(13,659)**	**(17,001)**
Attributable to:					
Equity owners of the Bank		(19,496)	(29,547)	(13,659)	(17,001)
Basic and diluted earnings / (losses) per share (in €)	**12**	**(0.0423)**	**(0.0641)**	**(0.0296)**	**(0.0369)**

The attached Notes (pages 40 to 83) form an integral part of the Condensed Interim Financial Information of 30 June 2021

Interim standalone income statement

		Bank	
		From 1st January to	
(Amounts in thousand €)	**Note**	**30.06.2021**	**30.06.2020**
Interest and similar income		45,406	44,567
Less: Interest expense and similar expenses		(16,629)	(20,939)
Net interest income	**7**	**28,777**	**23,627**
Fee and commission income		6,425	5,218
Less: Fee and commission expense		(4,628)	(4,145)
Net fee and commission income	**8**	**1,797**	**1,074**
Profit / (loss) from financial transactions		(919)	1,889
Profit / (loss) from investment portfolio	10	(4,820)	7,435
Other income / (expenses)		1,669	1,238
Operating income		**26,504**	**35,263**
Personnel expenses	9	(17,338)	(17,425)
General operating expenses	9	(8,931)	(8,229)
Depreciation expense	9	(7,033)	(6,390)
Total operating expenses		**(33,302)**	**(32,044)**
Profit / (Loss) before tax and provisions		**(6,798)**	**3,220**
Provisions for expected credit losses and other impairment	14	(5,403)	(27,836)
Impairment charge for other assets	9	(250)	(1,258)
Staff leaving expense	9	(209)	(1,172)
Profit / (loss) before income tax		**(12,660)**	**(27,046)**
Less: income tax	11	(6,910)	(1,966)
Profit / (loss) for the period		**(19,570)**	**(29,012)**
Basic and diluted earnings / (losses) per share (in €)	**12**	**(0.0424)**	**(0.0629)**

The attached Notes (pages 40 to 83) form an integral part of the Condensed Interim Financial Information of 30 June 2021

Interim consolidated statement of comprehensive income

	Group			
	From 1st January to		From 1st Aprila to	
(Amounts in thousand €)	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Profit / (Loss) for the period after income tax recognized in the Income Statement	**(19,496)**	**(29,547)**	**(13,659)**	**(17,001)**
Amounts that may be reclassified in the income statement				
Financial assets at Fair Value through Other Comprehensive Income (FVOCI)				
Change in fair value (before tax)	(1,619)	911	(458)	2,720
Transfer to Income Statement (before Tax)	2,040	(3,140)	0	(1,467)
Income Tax	(122)	647	133	(363)
Amounts that will not be reclassified in the Income Statement				
Actuarial gains / (losses) on defined benefit obligations	61	(347)	61	104
Income Tax	*(18)*	*101*	*(18)*	*101*
Total other comprehensive income / (expenses) recognized directly in equity, after income tax	**342**	**(1,829)**	**(282)**	**1,094**
Total comprehensive income / (expenses), after income tax	**(19,154)**	**(31,376)**	**(13,940)**	**(15,907)**
Attributable to:				
Equity owners of the Bank	(19,154)	(31,376)	(13,940)	(15,907)

Interim standalone statement of comprehensive income

	Bank	
	From 1st January to	
(Amounts in thousand €)	30.06.2021	30.06.2020
Profit / (Loss) for the period after income tax recognized in the Income Statement	**(19,570)**	**(29,012)**
Amounts that may be reclassified in the income statement		
Financial assets at Fair Value through Other Comprehensive Income (FVOCI)		
Change in fair value (before tax)	(1,619)	911
Transfer to Income Statement (before Tax)	2,040	(3,140)
Income Tax	(122)	647
Amounts that will not be reclassified in the Income Statement		
Actuarial gains / (losses) on defined benefit obligations	61	(347)
Income Tax	*(18)*	*101*
Total other comprehensive income / (expenses) recognized directly in equity, after income tax	**342**	**(1,829)**
Total comprehensive income / (expenses), after income tax	**(19,228)**	**(30,841)**

Interim statement of financial position

(Amounts in thousand €)		Group		Bank	
Assets	**Note**	**30.06.2021**	**31.12.2020**	**30.06.2021**	**31.12.2020**
Cash and balances with Central Bank		208,174	173,778	208,174	173,777
Due from other financial institutions		5,913	52,359	5,913	52,359
Derivative financial instruments - assets		177	185	177	185
Loans and advances to customers (net of impairment)	14	1,679,771	1,600,946	1,679,771	1,600,946
Investment securities	13	1,000,515	981,061	1,000,515	981,061
Investments in subsidiaries	15	0	0	100	100
Investments in associates	16	4,693	4,323	4,693	4,323
Tangible assets	19	44,565	47,831	44,565	47,831
Investment property		56,706	56,704	56,706	56,704
Intangible assets	18	61,234	57,673	61,234	57,673
Deferred tax assets	11	414,307	421,357	414,307	421,357
Assets held for sale	17	0	30	48	28
Other assets		171,096	183,302	166,960	180,428
Total Assets		**3,647,151**	**3,579,549**	**3,643,164**	**3,576,772**
Liabilities					
Due to financial institutions	20	393,044	401,177	393,044	401,177
Due to customers	21	2,896,037	2,801,439	2,900,006	2,804,753
Derrivative financial instruments - liabilities		93	0	93	0
Debt securities in issue	22	99,807	99,781	99,807	99,781
Defined benefit obligations		9,186	9,727	9,186	9,727
Other provisions		24,141	23,917	24,141	23,917
Other liabilities		37,307	36,818	33,775	35,077
Total Liabilities		**3,459,616**	**3,372,859**	**3,460,052**	**3,374,431**
Equity					
Share capital (common shares)	23	138,376	138,376	138,376	138,376
Reserves	23	472,844	472,502	472,803	472,461
Retained earnings	23	(423,685)	(404,189)	(428,066)	(408,496)
Equity attributable to equity owners of the Bank		**187,535**	**206,689**	**183,112**	**202,341**
Total Equity		**187,535**	**206,689**	**183,112**	**202,341**
Total Liabilities and Equity		**3,647,151**	**3,579,549**	**3,643,164**	**3,576,772**

The attached Notes (pages 40 to 83) form an integral part of the Condensed Interim Financial Information of 30 June 2021

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				(29,547)	**(29,547)**
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		911			**911**
Financial assets measured at fair value through other comprehensive income (FVOCI): net amount transferred to profit or loss		(3,140)			**(3,140)**
Actuarial gains / (losses) on defined benefit obligations		(347)			**(347)**
Disinvestment in subsidiary			(144)	144	**0**
Income Tax		747			**747**
Total comprehensive income/(expense), after income tax	**0**	**(1,829)**	**(144)**	**(29,403)**	**(31,376)**
Balance 30.06.2020	**138,376**	**(37,591)**	**484,368**	**(122,448)**	**462,705**
Movements up to 31.12.2020	0	25,742	(17)	(281,741)	(256,016)
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				(19,496)	**(19,496)**
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		(1,619)			**(1,619)**
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		(140)			**(140)**
Total comprehensive income/(expense), after income tax	**0**	**342**	**0**	**(19,496)**	**(19,154)**
Balance 30.06.2021	**138,376**	**(11,507)**	**484,351**	**(423,685)**	**187,535**

Interim standalone statement of changes in equity

Bank

(Amounts in thousand €)	Share capital (common shares)	Other reserves	Reserves	Retained earnings	Total equity
Balance 01.01.2020	**138,376**	**(36,857)**	**485,405**	**(98,087)**	**488,837**
Results for the period				(29,012)	**(29,012)**
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		911			**911**
Financial assets measured at fair value through other comprehensive income (FVOCI): net amount transferred to profit or loss		(3,140)			**(3,140)**
Actuarial gains / (losses) on defined benefit obligations		(347)			**(347)**
Income Tax		747			**747**
Total comprehensive income/(expense), after income tax	**0**	**(1,829)**	**0**	**(29,012)**	**(30,841)**
Balance 30.06.2020	**138,376**	**(38,687)**	**485,405**	**(127,099)**	**457,996**
Movements up to 31.12.2020	0	25,742	0	(281,397)	(255,655)
Balance 31.12.2020	**138,376**	**(12,944)**	**485,405**	**(408,496)**	**202,341**

Bank

(Amounts in thousand €)	Share capital (common shares)	Other reserves	Reserves	Retained earnings	Total equity
Balance 01.01.2021	**138,376**	**(12,944)**	**485,405**	**(408,496)**	**202,341**
Results for the period				(19,570)	**(19,570)**
Other comprehensive income					
Financial assets measured at fair value through other comprehensive income (FVOCI): Change in fair value		(1,619)		0	**(1,619)**
Financial assets measured at fair value through other comprehensive income (FVOCI): net amount transferred to profit or loss		2,040		0	**2,040**
Actuarial gains / (losses) on defined benefit obligations		61		0	**61**
Income Tax		(140)		0	**(140)**
Total comprehensive income/(expense), after income tax	**0**	**342**	**0**	**(19,570)**	**(19,228)**
Balance 30.06.2021	**138,376**	**(12,602)**	**485,405**	**(428,066)**	**183,112**

Interim statement of cash flows

	Group		Bank	
	From 1st of January to		From 1st of January to	
(Amounts in thousand €)	30.06.2021	30.06.2020	30.06.2021	30.06.2020
Cash flows from operating activities				
Interest and similar income received	47,310	30,146	47,310	30,146
Interest expense paid	(15,781)	(18,313)	(15,789)	(18,323)
Dividends received	147	4	147	4
Commission received	6,908	5,355	6,697	5,101
Commission paid	(4,628)	(4,145)	(4,628)	(4,145)
Profit from financial transactions	(543)	178	(543)	178
Other income	1,892	1,579	1,893	1,578
Cash payments to employees and suppliers	(27,176)	(25,047)	(27,124)	(25,089)
Cash flows from operating activities before changes in operating assets and liabilities	8,129	(10,243)	7,964	(10,550)
Changes in operating assets and liabilities				
Net (increase) / decrease in trading securities	(100,343)	(12,479)	(100,343)	(12,479)
Net (increase) / decrease in loans and advances to customers	(84,651)	30,712	(84,651)	30,210
Net (increase) / decrease in other assets	9,798	5,248	11,058	8,168
Net increase / (decrease) in amounts due to financial institutions	(8,133)	81,102	(8,133)	81,102
Net increase / (decrease) in amounts due to customers and similar liabilities	94,598	41,990	95,253	40,703
Net increase / (decrease) in other liabilities	119	(6,757)	(1,631)	(8,547)
Total changes in operating assets and liabilities of the statement of financial position	(88,613)	139,815	(88,448)	139,156
Total changes in operating assets and liabilities of the statement of financial position	**(80,484)**	**129,572**	**(80,484)**	**128,606**
Cash flows from investing activities				
Purchases of intangible assets	(7,478)	(7,120)	(7,478)	(7,120)
Purchases of tangible assets	(236)	(1,114)	(236)	(1,114)
Purchase of financial assets measured at fair value through other comprehensive income (FVOCI)	(131,791)	(283,810)	(131,791)	(283,810)
Sales / redemptions of financial assets measured at fair value through other comprehensive income (FVOCI)	253,876	233,640	253,876	233,640
Purchase of financial assets measured at amortised cost	(85,926)	(40,729)	(85,926)	(40,729)
Maturity of financial assets measured at amortised cost	40,011	0	40,011	0
Investment in associates	(20)	0	(20)	0
Result from sale of subsidiary	0	(974)	0	0
Net cash flow from investing activities	**68,435**	**(100,106)**	**68,435**	**(99,133)**
Cash flow from financing activities				
Net cash flow from financing activities	**0**	**0**	**(0)**	**0**
Net increase / (decrease) in cash and cash equivalents	**(12,049)**	**29,465**	**(12,049)**	**29,473**
Cash and cash equivalents at the beginning of the year	226,137	205,534	226,137	205,525
Cash and cash equivalents at the end of the year	**214,088**	**234,999**	**214,088**	**234,999**

The attached Notes (pages 40 to 83) form an integral part of the Condensed Interim Financial Information of 30 June 2021

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 two (2) associated companies, which operate in Greece and has 746 employees as at 30.06.2021. The number of Bank's branches as at 30.06.2021 is 52.

The parent company of the Group is Attica Bank A.E., (the "Bank"). "Attica Bank A.E." is a societé 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 interim financial statements (the "financial statements") have been approved for issue by the Board of Directors on 1st September 2021.

The Board of Directors of the Bank that approved the financial statements of the Bank as at 30 June 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. Pantalakis	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

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. 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

Amounts are presented in thousand euros, unless otherwise stated 40

2. Basis of Preparation

(2.1) Statement of preparation

The Condensed Interim Financial Information for the first semester 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 Financial Information

(2.2) Going concern

The Group applied the going concern principle for the preparation of the financial statements as at 30.06.2021. 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 first quarter of 2021, the recession fell to 2.3%, from 6.9% in the fourth quarter of 2020, despite of pandemic continuation, extension of the curfew and restriction of business activity.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. According to the data published by ELSTAT on 04/06/2021, GDP during the first quarter of 2021 showed an increase of 4.4% compared to 31/12/2020. Finally, it is noted that during the Eurogroup meeting of 02/06/2021, in the context of the successful completion of the tenth (10th) evaluation of Greece under the regime of strict supervision, it was decided to disburse the installment of 748 million euros from bond profits.

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.

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 30.06.2021 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.

What is more, the activation of the provisions of the article 27A of L.4172/2013 with the implied collection of the amount, on 6th of August, corresponding to 100% of the final and cleared tax claim against the State,i.e.151,854,439.86 euro, leads to a further improvement of liquidity ratios (Note 25).

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 June 2021 amounts to 6.4%, as a result of the annual report of the first half of 2021, without taking into account the impact of the collection of approximately 152 million of the final and cleared tax claim. If this effect is taken into account, then the total capital adequacy ratio is 7%, while the key capital adequacy ratios (CET1 and Tier 1), increase by about 0.5 percentage points.

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.

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, it was decided the increase of the shareholding capital from 120 million to 240 million euros in 2021, with cash payment. The process of share capital increase is in progress and the Management estimates that it will be completed within the last quarter of 2021. This action is expected to strengthen the capital adequacy ratios, Total and CET1, from five to ten percentage points at pro forma level. In addition, the Board of Directors of the Bank on 26 August recommended, as presented in note 26, to the Extraordinary General Meeting of the Bank, which will take 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.

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 high repayment bond of the Omega securitization in the scheme of state guarantees "HERCULES 2".

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.

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 31.12.2020, 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 (5.1%) 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, in the first half of 2021 there has been a significant increase of the deposits level and Interbank deposits level (approximately 87 million euros),
- The existence of collaterals that may be used for liquidity raise from Eurosystem or other mechanisms (Note 25)
- The continuous improvement of the net interest income for 5 consecutive quarters. The net interest income increased by 21.8% compared to 30.6.2020, both through the increase in interest income on loans and receivables from customers and through the reduction on funding cost of the Group's activities. At the same time the increase of the interest income is accompanied by a net credit expansion.

- 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 throw significant credit risk provisions during the year ended on 31.12.2020
- The further decrease of the operating cost of the Group on a recurring basis compared to the corresponding period ended on 30.06.2021.
- The low level of Loan to Deposits ratio, which stands at 71.4% and the dynamic given towards the credit expansion of the Bank
- 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
- 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 million euros, which was collected on 6th August 2021. The specific issues which concern the application procedures of this law, as described in the current legal framework, will be defined based on the relevant Cabinet's Act as at 6 July 2021(Note 11),
- the decision of the Board of Directors of the Bank at the meeting of 9 July 2021 to increase the share capital by 240 million euros within 2021, with cash payment and without pre-emptive right in favor of the old shareholders of the Bank. This action is expected to strengthen the capital adequacy ratios, total capital ratio and CET1, from 5% to 10%.
- The immediate restoration of the Capital Adequacy Ratio through the inclusion of the senior note to be held by the Bank in the governmental asset protection scheme of securitization's senior note, "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 groth rate of Producer Price Index (PPI). The scenarios re available from Moody's Analytics and are obtained from the Bank through its website https://www.economy.com/products/tools/data-buffet.
  During the previous year, due to the increased uncertainty the time series were examined on a regular basis and through tele-conferences with external analysts the Bank continues to monitor the developments and the relevant tests over the models. It is noted that the Bank regularly monitors the scenarios so that they do not deviate from the basic scenario regularly issued by the ECB. For the second half of 2021 the Bank compared the change in GDP of the scenarios posted by Moody's Analytics versus the scenarios issued by the ECB, for Greece, in June 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	4,28%	6,88%	-0,01%	3,77%	4,71%	6,29%	3,17%	4,72%	2,01%	0,67%	2,91%	1,88%	2,54%	2,04%	3,52%	2,69%
ASE	928,70	1014,53	574,31	848,13	979,29	1112,98	719,26	941,39	1045,50	1150,62	895,31	1031,98	1089,48	1154,95	987,73	1078,60
Unemployment rate	15,91	15,38	17,10	16,11	14,72	13,33	19,16	15,64	14,26	13,17	19,25	15,43	13,75	13,14	17,50	14,69
PPI	106,63	107,56	102,53	105,68	106,42	108,37	100,70	105,29	108,26	110,73	102,06	107,14	110,34	113,13	103,13	109,02

  It is observed that the expected variance of GDP begins to recover from 2021 having a positive course, until 2023 where a reduction is foreseen. The index price of ASE also has a positive course throughout the four years. The unemployment rate is mobbing downwards by 2024. Finally, the PPI index presents an improvement by the end of 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.

Amounts are presented in thousand euros, unless otherwise stated 47

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	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Due from other financial institutions	5,913	52,359	5,913	52,359
Loans and advances to customers (net of impairment)	1,679,771	1,600,946	1,677,670	1,598,845
Investment securities measured at amortized cost	432,497	387,029	433,187	386,843

	Carrying amount		Fair value	
Financial Liabilities	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Due to other financial institutions	393,044	401,177	393,044	401,177
Due to customers	2,896,037	2,801,439	2,890,681	2,796,083
Debt securities in issue	99,807	99,781	99,807	99,781
Lease liability	17,297	19,225	17,297	19,225

Bank

	Carrying amount		Fair value	
Financial Assets	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Due from other financial institutions	5,913	52,359	5,913	52,359
Loans and advances to customers (net of impairment)	1,679,771	1,600,946	1,677,670	1,598,845
Investment securities measured at amortized cost	432,497	387,029	433,187	386,843

	Carrying amount		Fair value	
Financial Liabilities	30.06.2021	31.12.2020	30.06.2021	31.12.2020
Due to other financial institutions	393,044	401,177	393,044	401,177
Due to customers	2,900,006	2,804,753	2,894,622	2,799,369
Debt securities in issue	99,807	99,781	99,807	99,781
Lease liability	17,297	19,225	17,297	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.

Amounts are presented in thousand euros, unless otherwise stated 48

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
- Lever 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 first semester 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.

	Group			
30.06.2021	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income (FVOCI)	57,504	0	403,578	**461,081**
Investment securities measured at fair value through profit or loss	106,937	0	0	**106,937**
Derivative financial instruments - assets	145	32	0	**177**
Derivative financial instruments - liabilities	0	93	0	**93**

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**

	Bank			
30.06.2021	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income (FVOCI)	57,504	0	403,578	**461,081**
Investment securities measured at fair value through profit or loss	106,937	0	0	**106,937**
Derivative financial instruments - assets	145	32	0	**177**
Derivative financial instruments - liabilities	0	93	0	**93**

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**

Amounts are presented in thousand euros, unless otherwise stated 50

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 30.06.2021, the capital adequacy ratios are as follows:

	Group		Bank	
Description	**30.06.2021**	**31.12.2020**	**30.06.2021**	**31.12.2020**
CET 1 Ratio	3.1%	4.9%	2.9%	4.8%
Tier 1 Ratio	3.1%	4.9%	2.9%	4.8%
Total Capital Adequacy Ratio	6.4%	8.3%	6.2%	8.1%

Based on the decision 353/85/10.04.2020 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 the ratios presented in the above table do not include the positive effect of the reduction of the risk weighted assets by approximately 152 million, due to the collection of the converted, within 2021, final and cleared deferred tax claim, which took place on 06.08.2021. At a pro forma level, this effect on all capital ratios is estimated about 0.5 percentage points.

Amounts are presented in thousand euros, unless otherwise stated 51

6. Operating segments

Group

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th June 2021				
Net income				
- interest	485	24,390	3,909	**28,784**
- commission	979	1,882	(853)	**2,008**
- trading results and other income	(963)	(1,854)	(1,624)	**(4,441)**
- intersegment results	488	(1,273)	785	**0**
Net Total Income	**989**	**23,145**	**2,217**	**26,351**
Result from investments in associates	60	182	78	**319**
Profit / (Loss) before income tax	**(5,834)**	**647**	**(7,359)**	**(12,546)**
Income tax				(6,950)
Profit / (Loss) for the period				**(19,496)**
Other segment items				
Provisions for expected credit losses and other impairment	2,929	(7,642)	(689)	**(5,403)**
Depreciation expense	(1,131)	(3,459)	(2,442)	**(7,033)**
Total Assets 30.06.2021	424,909	1,304,097	1,918,146	**3,647,151**
Total Liabilities 30.06.2021	(2,265,487)	(1,094,228)	(99,901)	**(3,459,616)**

Group

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th June 2020				
Net income				
- interest	(3,469)	24,344	2,752	**23,628**
- commission	1,918	1,221	(1,811)	**1,328**
- trading results and other income	113	(86)	9,334	**9,362**
- intersegment results	5,331	270	(5,601)	**0**
Net Total Income	**3,894**	**25,749**	**4,675**	**34,318**
Results from investments in associates	76	190	151	**417**
Profit / (Loss) before income tax	**(10,835)**	**(7,286)**	**(9,414)**	**(27,535)**
Income tax				(2,013)
Profit / (Loss) for the period				**(29,547)**
Other segment items				
Provisions for expected credit losses and other impairment	(8,959)	(18,928)	52	**(27,836)**
Depreciation expense	(1,073)	(2,679)	(2,649)	**(6,400)**
Total Assets 30.06.2020	428,243	1,069,803	2,121,416	**3,619,463**
Total Liabilities 30.06.2020	(2,118,696)	(938,307)	(99,755)	**(3,156,758)**

Bank

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th June 2021				
Net income				
- interest	478	24,390	3,909	**28,777**
- commission	768	1,882	(853)	**1,797**
- trading results and other income	(963)	(1,483)	(1,624)	**(4,070)**
- intersegment results	488	(1,273)	785	**0**
Net Total Income	**771**	**23,516**	**2,217**	**26,504**
Profit / (Loss) before income tax	(6,058)	835	(7,437)	**(12,660)**
Income tax				**(6,910)**
Profit / (Loss) for the period				**(19,570)**
Other segment items				
Provisions for expected credit losses and other impairment	2,929	(7,642)	(689)	**(5,403)**
Depreciation expense	(1,131)	(3,459)	(2,442)	**(7,033)**
Total Assets 30.06.2021	424,244	1,302,211	1,916,710	**3,643,164**
Total Liabilities 30.06.2021	(2,265,781)	(1,094,370)	(99,901)	**(3,460,052)**

Bank

(Amounts in thousand €)	Retail Banking	Corporate Banking	Treasury	Total
From 1st January to 30th June 2020				
Net income				
- interest	(3,470)	24,345	2,752	**23,627**
- commission	1,664	1,220	(1,811)	**1,074**
- trading results and other income	113	1,115	9,334	**10,562**
- intersegment results	5,331	270	(5,601)	**0**
Net Total Income	**3,639**	**26,950**	**4,675**	**35,263**
Profit / (Loss) before income tax	(11,109)	(6,373)	(9,565)	**(27,046)**
Income tax				**(1,966)**
Profit / (Loss) for the period				**(29,012)**
Other segment items				
Provisions for expected credit losses and other impairment	(8,959)	(18,928)	52	**(27,836)**
Depreciation expense	(1,073)	(2,668)	(2,649)	**(6,390)**
Total Assets 30.06.2020	427,788	1,069,184	2,120,294	**3,617,266**
Total Liabilities 30.06.2020	(2,120,437)	(939,078)	(99,755)	**(3,159,270)**

7. Net interest income

During the current period 30.06.2021 net interest income is increased by 21.8% compared to 30.06.2020, due to the increase in interest income on loans and receivables from customers, which increased by 3%, and through lower financing cost of the Bank's activities, 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 current period 30.06.2021 net commission income amounted to € 2.0 million, showing an increase of 0.67 million compared to 30.06.2020, mainly due to the increase in commission income, by € 1.2 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 starting on 31 March 2021, 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 0.8 million euros in the current period compared to 30.06.2020, while on an annual basis the savings are expected to amount to 2.6 million euros.

9. Operating expenses

(Amounts in thousand €)	Group		Bank	
Description	**30.06.2021**	**30.06.2020**	**30.06.2021**	**30.06.2020**
Salaries and wages	(13,181)	(12,821)	(13,145)	(12,727)
Social security contributions (defined contribution plans)	(3,013)	(3,277)	(3,005)	(3,253)
Other charges	(1,010)	(1,204)	(1,010)	(1,204)
Other provisions for post employment benefits obligations	(178)	(256)	(178)	(242)
Personnel Expenses	**(17,383)**	**(17,558)**	**(17,338)**	**(17,425)**
	0		0	
Security and cleaning expenses	(1,317)	(1,028)	(1,317)	(1,028)
Telecommunication and service utility expenses	(1,145)	(1,069)	(1,145)	(1,069)
Printing and stationery expenses	(85)	(113)	(85)	(113)
Advertising, promotion, donations, memberships and grants expenses	(597)	(557)	(597)	(554)
Non - embedded taxes and insurance premium expenses	(345)	(678)	(344)	(676)
Third party fees and expenses	(2,394)	(2,145)	(2,387)	(2,353)
Teiresias systems expenses	(399)	(274)	(399)	(274)
Commission on the amount of deferred tax asset under Greek State's guarantee	(205)	(218)	(205)	(218)
Repair and maintenance expenses	(1,672)	(1,335)	(1,672)	(1,334)
Travelling expenses	(182)	(181)	(182)	(181)
Other expenses	(597)	(446)	(597)	(429)
General Operating Expenses before provisions	**(8,940)**	**(8,043)**	**(8,931)**	**(8,229)**
Impairment charge for other assets and contingent liabilities	(250)	(1,260)	(250)	(1,258)
Staff leaving expense	(209)	(1,172)	(209)	(1,172)
Total General Operating Expenses	**(9,399)**	**(10,475)**	**(9,390)**	**(10,659)**
Depreciation of tangible assets	(1,168)	(1,040)	(1,168)	(1,039)
Amortization of intangible assets	(3,917)	(3,318)	(3,917)	(3,318)
Depreciation of right of use asset	(1,948)	(2,042)	(1,948)	(2,033)
Depreciation Expense	**(7,033)**	**(6,400)**	**(7,033)**	**(6,390)**
Total Operating Expenses	**(33,814)**	**(34,434)**	**(33,761)**	**(34,474)**

Number of employees	Group		Bank	
	30.06.2021	**30.06.2020**	**30.06.2021**	**30.06.2020**
The average number of employees is:	779	763	776	757
The number of employees is:	746	770	743	765

The average number of employees of the Group during the current year stood at 779, compared to 763 during 30.6.2020. Personnel expenses are marginally decreased by 1% during the period under review compared to the respective period of 30.06.2020, at the Group level. On the 14th of 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 been already completed with the participation of 60 people, which corresponds to an annual savings of 2.5 million euros.

As far as general operating expenses are concerned, these are increased by 11% compared to the respective period of 30.06.2020. “Security and cleaning expenses” includes non – recurring expenses due to COVID –

19 of approximately 559 thousand euros, while in the context of dealing with COVID – 19 during the first half of 2021, the results of the Group were charged with approximately 696 thousand euros. During the comparative period of 2020 “Security and cleaning expenses” includes non – recurring expenses due to COVID – 19 of approximately 320 thousand euros, while in the context of dealing with COVID – 19 during the first half of 2020, the results of the Group were charged with approximately 500 thousand euros.

10. Profit / (loss) from investment portfolio

The results from investment portfolio transactions are significant decreased compared to the relevant of the comparative year and amounted to a loss of approximately 4.8 million euros, arisen from the sale of Greek Government Bonds, due to the Group's actions to eliminate valuation losses, given the yield increase and the consequent reduction in the prices of these bonds.

11. Taxes

The income tax for the period ended 30.06.2021 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.

As at 30.06.2021, the amount of Deferred Tax Assets that are included within the scope of the aforementioned Law, include also the unamortized debit difference of PSI, which amounts to 245 million euros (31.12.2020: 252 million euros).

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 30.06.2021 the amount of the commission is 205 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. Furthermore, for the dividends earned from 01.01.2020 onwards the tax rate is reduced from 10% to 5%.

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.

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).

Consequence of the above and in accordance with the business plan 2021-2023, approved by the Bank's Board of directors, which describes the new business model of the Bank, based on targeted financing, significant rates of credit expansion and deposit growth, but mainly rationalization of the cost base and conclusion of strategic partnerships, is the remaining deferred tax asset to be recovered. Finally, it is noted that the tax losses on which a deferred tax asset of approximately 33 million has been recognized, expire on 2023 (approximately 13 million) and 2024 (approximately 20 million).

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

Group

(Amounts in thousand €)

Description	30.06.2021 Before income tax	30.06.2021 Income tax	30.06.2021 After income tax	30.06.2020 Before income tax	30.06.2020 Income tax	30.06.2020 After income tax
Amounts reclassified in income statement						
Financial assets at fair value through other comprehensive income (FVOCI)	420	(122)	299	(2,229)	647	(1,583)
Amounts not reclassified in income statement						
Change in actuarial gains / (losses) of defined benefit obligations	61	(18)	43	(347)	101	(246)
Total	**482**	**(140)**	**342**	**(2,576)**	**747**	**(1,829)**

Bank

(Amounts in thousand €)

Description	30.06.2021 Before income tax	30.06.2021 Income tax	30.06.2021 After income tax	30.06.2020 Before income tax	30.06.2020 Income tax	30.06.2020 After income tax
Amounts reclassified in income statement						
Financial assets at fair value through other comprehensive income (FVOCI)	420	(122)	299	(2,229)	647	(1,583)
Amounts not reclassified in income statement						
Change in actuarial gains / (losses) of defined benefit obligations	61	(18)	43	(347)	101	(246)
Total	**482**	**(140)**	**342**	**(2,576)**	**747**	**(1,829)**

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

(Amounts in thousand €)

	Group		Bank	
Description	**30.06.2021**	**30.06.2020**	**30.06.2021**	**30.06.2020**
Current income tax	(39)	(47)	0	0
Deferred income tax	(6,910)	(1,965)	(6,910)	(1,966)
Total	**(6,950)**	**(2,013)**	**(6,910)**	**(1,966)**

The defered tax is as follows:

(Amounts in thousand €)

	Group		Bank	
Deferred Tax	**30.06.2021**	**30.06.2020**	**30.06.2021**	**30.06.2020**
Difference from tangible assets depreciation	(187)	(339)	(187)	(339)
Contingent liabilities provisions	0	(1,665)	0	(1,665)
Amortization of credit risk provisions of L. 4465/2017	(6,897)	(6,897)	(6,897)	(6,897)
Allowance for impairment of loans	1,690	8,072	1,690	8,072
Allowance for impairment of off balance sheet items	77	0	77	0
Allowance for impairment of financial assets	(200)	0	(200)	0
Adjustment for debit difference of L. 4046/2012	(705)	(705)	(705)	(705)
Tax losses carried forward and other temporary differences	(549)	(470)	(549)	(471)
Pension and other benefits after retirment	(139)	39	(139)	39
Deferred tax assets	**(6,910)**	**(1,965)**	**(6,910)**	**(1,966)**

Deferred Tax is analyzed as follows:

(Amounts in thousand €)

Description	Group 30.06.2021	Group 31.12.2020	Bank 30.06.2021	Bank 31.12.2020
Expected credit losses on loans and advances to customers	109,874	109,600	109,874	109,600
Amortization of debit difference of L. 4465/2017	215,918	222,815	215,918	222,815
Impairment of Greek Government bonds	28,907	29,612	28,907	29,612
Impairment of financial assets at fair value through other comprehensive income (FVOCI)	1,921	2,043	1,921	2,043
Off balance sheet items	3,823	2,488	3,823	2,488
Impairment of other financial assets	26,644	26,685	26,644	26,685
Tax losses carried forward & other temporary differences	35,529	36,079	35,529	36,079
Pension and other benefits after retirement	2,664	2,821	2,664	2,821
Deferred Tax Assets	**425,280**	**432,143**	**425,280**	**432,143**
Revaluation of intangible assets	(9,329)	(9,050)	(9,329)	(9,050)
Revaluation of tangible assets	(1,013)	(988)	(1,013)	(988)
IFRS 16	(630)	(748)	(630)	(748)
Deferred Tax Liabilities	**(10,973)**	**(10,786)**	**(10,973)**	**(10,786)**
Net Deferred Tax Assets	**414,307**	**421,357**	**414,307**	**421,357**

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

(Amounts in thousand €) Description	Group 1.1-30.06.2021	1.1-30.06.2020	1.4-30.06.2021	1.4-30.06.2020
Profit / (Loss) for the year attributable to equity owners of the	(19,496)	(29,547)	(13,659)	(17,001)
Profit / (Loss) for the year attributable to ordinary equity owners of the Bank	**(19,496)**	**(29,547)**	**(13,659)**	**(17,001)**
Weighted average number of ordinary shares during the year	461,253,987	461,253,987	461,253,987	461,253,987
Adjusted weighted average number of ordinary shares during the year	461,253,987	461,253,987	461,253,987	461,253,987
Earnings / (Losses) per share - basic (in €)	**(0.0423)**	**(0.0641)**	**(0.0296)**	**(0.0369)**

(Amounts in thousand €) Description	Bank 1.1-30.06.2021	1.1-30.06.2020
Profit / (Loss) for the year attributable to equity owners of the	(19,570)	(29,012)
Profit / (Loss) for the year attributable to ordinary equity owners of the Bank	**(19,570)**	**(29,012)**
Weighted average number of ordinary shares during the year	461,253,987	461,253,987
Adjusted weighted average number of ordinary shares during the year	461,253,987	461,253,987
Earnings / (Losses) per share - basic (in €)	**(0.0424)**	**(0.0629)**

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 30.06.2021 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

Financial assets measured at fair value through profit or loss (Amounts in thousand €)	Group and Bank 30.06.2021	31.12.2020
Foreign Government Bonds	29,933	0
Greek Government Bonds	69,263	3,054
Foreign Corporate Bonds	3,114	0
Foreign listed shares	4,626	4,187
Financial assets measured at fair value through profit or loss	**106,937**	**7,241**

The Group, during the first half of 2021 proceeded to purchases of Greek Government Bonds and Treasury Bills of 363.4 million euros as well as Government Bonds of 334.5 million euros, while the respective sales and maturities of securities amounted to 584.1 and 13.0 million euros.

(Amounts in thousand €)	Group and Bank	
Financial assets measured at fair value through other comprehensive income (FVOCI)	**30.06.2021**	**31.12.2020**
Greek government bonds	55,063	140,527
Treasury bills	0	25,773
Foreign government bonds	0	14,501
Government Bonds	**55,063**	**180,800**
Foreign issuer	2,308	2,782
Listed Corporate Bonds	**2,308**	**2,782**
Foreign issuer	526,726	526,914
Non Listed Corporate	**526,726**	**526,914**
Bonds Expected Credit Losses	**(124,695)**	**(125,607)**
Bonds	**459,401**	**584,889**
Listed shares - (Domestic)	268	493
Listed shares - (Foreign)	6	5
Non-Listed Shares - (Domestic)	1,406	1,406
Shares	**1,680**	**1,903**
Financial assets measured at fair value through other comprehensive income (FVOCI)	**461,081**	**586,792**

The Group, during the first half of 2021 proceeded to purchases of Greek Government Bonds, foreign Government Bonds and Treasury Bills of 131.8 million euros, while the respective sales and maturities of Greek Government, Treasury Bills and foreign Government Bonds amounted to 253.9 million euros.

Financial assets measured at amortized cost	Group and Bank	
(Amounts in thousand €)	30.06.2021	31.12.2020
Foreign Government Bonds	19,810	0
Greek Government Bonds	72,484	9,963
Greek Government Treasury Bills	0	39,988
Corporate - Non Listed - Foreign	363,883	364,132
Corporate - Listed - Foreign	7,754	4,158
Expected credit losses	(31,435)	(31,213)
Financial assets measured at amortized cost	**432,497**	**387,029**

The Group, during the first half period of 2021 proceeded to purchases of Greek Government Bonds of 85.9 million euros, while the maturities of Greek Government Bonds 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 and Bank	
Description	**30.06.2021**	**31.12.2020**
Credit cards	21,881	22,096
Consumer loans	102,569	95,798
Mortgages	379,940	386,384
Other	4,839	5,009
Loans to individuals	**509,228**	**509,286**
Agricultural sector	6,318	3,477
Commercial	157,724	149,162
Industrial sector	86,879	86,782
Small industries	7,789	10,598
Tourism	82,376	86,790
Shipping	24,516	21,215
Construction sector	495,960	452,194
Other	566,176	536,176
Loans to corporate entities	**1,427,738**	**1,346,394**
Public sector	**25,333**	**26,305**
Net investment in finance lease	**104,186**	**104,957**
Loans and advances to customers (before impairment)	**2,066,486**	**1,986,943**
Expected Credit Losses	**(386,715)**	**(385,997)**
Loans and advances to customers (net of impairment)	**1,679,771**	**1,600,946**

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 and Bank
Loans under Greek State guarantee	
30 June 2021	23,480
31 December 2020	33,357
Loans to the Greek State	
30 June 2021	25,333
31 December 2020	26,305

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

Movement of expected credit losses		**Group and Bank**		
(Amounts in thousand €)	**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 six month period of 2020	(2,255)	(3,994)	(20,137)	**(26,385)**
Write offs during the six month period of 2020	1	0	27	**28**
Movements between stages	(280)	(280)	0	**689**
Expected credit losses for the six month period of 2020	**(6,088)**	**(9,406)**	**(291,748)**	**(307,242)**
Movements for the period 01.07.2020 - 31.12.2020				
Expected credit risk losses and losses reversals	(4,388)	(6,144)	(69,140)	**(79,672)**
Write offs	0	0	916	**916**
Movements between stages	46	791	(837)	**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 six month period of 2021 is as follows:

Movement of expected credit losses		**Group and Bank**		
(Amounts in thousand €)	**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 six month period of 2021	2,269	2,546	(10,641)	**(5,826)**
Write offs during the six month period of 2021	0	0	5,108	**5,108**
Movements between stages	(706)	2,480	(1,775)	**0**
Expected credit losses as at 30.06.2021	**(8,867)**	**(9,733)**	**(368,115)**	**(386,715)**

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

(Amounts in thousand €)	**Group and Bank**	
Description	**30.06.2021**	**30.06.2020**
Impairment charge / (Reversal of impairment charge) on loans and advances to customers	(5,826)	(26,385)
Impairment charge / (Reversal of impairment charge) on off balance sheet items	(267)	(1,502)
Fair value results of financial assets measured at fair value through other comprehensive income (FVOCI)	912	171
Impairment charge / (Reversal of impairment charge) on financial assets measured at amortised cost	(223)	(119)
Total	**(5,403)**	**(27,836)**

Loans and advances to customers (net of impairment)

Group and Bank	30.06.2021			
(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	123,291	7,631	378,306	**509,228**
Expected credit losses	(2,006)	(371)	(110,367)	**(112,744)**
Carrying amount	121,285	7,260	267,939	**396,484**
Corporate Lending				
Gross carrying amount	715,511	258,953	557,460	**1,531,925**
Expected credit losses	(6,627)	(9,322)	(257,748)	**(273,697)**
Carrying amount	708,884	249,631	299,712	**1,258,228**
Public Sector Lending				
Gross carrying amount	15,122	10,211	0	**25,333**
Expected credit losses	(234)	(40)	0	**(274)**
Carrying amount	14,888	10,171	0	**25,059**
Loans and advances to customers				
Total Gross carrying amount	**853,924**	**276,795**	**935,766**	**2,066,486**
Total expected credit losses	**(8,867)**	**(9,733)**	**(368,115)**	**(386,715)**
Total Carrying Amount	**845,057**	**267,062**	**567,651**	**1,679,771**

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 and approximately 341 million euros to corporate NPEs. 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. 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 511 million euros, as at 30.06.2021, while the expected credit losses amount to approximately 2.1 million euros. Out of the performing loans in affected by the pandemic sectors, 465 million euros approximately concern business loans and 46 million euros retail loans.

Finally, 18 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 40 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 5.1% of the Bank's performing portfolio as at 30.06.2021.

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.

15. Subsidiaries of the Group

(Amounts in thousand €)			30.06.2021			
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%	4,571	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 companies, consolidated under the equity method are:

- Zaitech Innovation Venture Capital Fund I
- Thea Artemis Societe Anonyme for Management of Loans and Appropriations

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 30.06.2021 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 30.06.2021, 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:

30.06.2021

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

The Group has classified, as at 30.06.2020, its participation in the associate company "Thea Artemis Societe Anonyme for Management of Loans and Appropriations" as asset held for sale according to IFRS 5. (Note 17)

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. The impact of this transaction on the Bank's financial position and financial results will be reflected in the interim financial statements of 30 September 2021.

17. Assets held for sale

The Bank and the Group, as at 30.06.2021, have classified as assets held for sale their participation in the associate company “Thea Artemis Societe Anonyme for Management of Loans and Appropriations” according to IFRS 5. 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. The impact of this transaction on the Bank's financial position and financial results will be reflected in the interim financial statements of 30 September 2021

18. Intangible assets

Intangible assets of the Group consist mainly of software programs, which as at 30.06.2021 amounted to 61,234 thousand euros compared to 57,673 thousand as at 31.12.2020.

The additions of intangible assets on Group level in the six month period of 2021 of 7.5 million euros for the Group, as well as in the comparative period of 7.1 million euros respectively, mainly concern in the strengthening of the existing infrastructure and software along with the gradual digitalization of the Bank

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 30.06.2021 amounted to 44,565 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 six month period of 2021 and the comparative period is presented in the tables below:

30.06.2021

(Amounts in thousand €)	Land	Buildings	Machinery	Motor Vehicles	Furniture and other Equipment	Total
Bank investments	0	7	0	0	229	236
Associates investments	0	0	0	0	0	0
Group Investments	**0**	**7**	**0**	**0**	**229**	**236**

30.06.2020

(Amounts in thousand €)	Land	Buildings	Machinery	Motor Vehicles	Furniture and other Equipment	Total
Bank investments	0	0	7	0	1,107	1,114
Associates investments	0	0	0	0	0	0
Group Investments	**0**	**0**	**7**	**0**	**1,107**	**1,114**

20. Due to financial institutions

(Amounts in thousand €)	Group and Bank	
Description	**30.06.2021**	**31.12.2020**
Sight deposits	26,068	39,866
Interbank term deposits	210,000	155,000
Non interbank term deposits	115,171	6,304
Repos	41,805	200,007
Due to financial institutions	**393,044**	**401,177**

“Interbank term deposits” as at 30.06.2021 includes funding of 210 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 from EU citizens, has raised on 30.06.2021 approximately 115 million euros, while on 31.12.2020 the corresponding amount was approximately 6 million euros. Finally, within the first half of 2021, a repo agreement with a domestic credit institution was agreed amounting to 41.8 million compared to an agreement of 200 million euros with a domestic financial institution.

21. Due to customers

(Amounts in thousand €)	Group		Bank	
Description	**30.06.2021**	**31/12/2020**	**30.06.2021**	**31.12.2020**
Current accounts	36,946	30,699	36,946	30,699
Savings accounts	524,135	477,663	524,135	477,663
Term deposits	1,387,020	1,389,270	1,387,020	1,389,270
Blocked	1	1	1	1
Deposits of individuals	**1,948,102**	**1,897,633**	**1,948,102**	**1,897,633**
Sight deposits	218,598	214,074	219,564	214,387
Term deposits	139,602	147,811	142,604	150,811
Blocked	1,219	1,267	1,219	1,267
Deposits of corporations	**359,419**	**363,152**	**363,388**	**366,465**
Sight deposits	280,916	314,767	280,916	314,767
Term deposits	175,456	98,303	175,456	98,303
Blocked	0	0	0	0
Public sector deposits	**456,373**	**413,070**	**456,373**	**413,070**
Sight deposits	123,107	121,342	123,107	121,342
Savings accounts	1,637	1,320	1,637	1,320
Other deposits	**124,745**	**122,662**	**124,745**	**122,662**
Other due to customers	**7,399**	**4,922**	**7,399**	**4,922**
Due to customers	**2,896,037**	**2,801,439**	**2,900,006**	**2,804,753**

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%. At 30 June 2021, the aforementioned capital assets amounted to 99.8 million euros, including € 0.5 million issuing costs.

(Amounts in thousand €)	Group and Bank			
	30.06.2021		31.12.2020	
Description	Average Interest Rate	Carrying Value	Average Interest Rate	Carrying Value
LOWER TIER II	6.41%	99,807	6.41%	99,781
Debt securities in issue		**99,807**		**99,781**

23. Equity

(Amounts in thousand €)	Group		Bank	
Description	**30.06.2021**	**31.12.2020**	**30.06.2021**	**31.12.2020**
Paid up (common shares)	138,376	138,376	138,376	138,376
Share Capital	**138,376**	**138,376**	**138,376**	**138,376**
Reserves	472,844	472,502	472,803	472,461
Retained Earnings / (Losses)	(423,685)	(404,189)	(428,066)	(408,496)
Total Equity	**187,535**	**206,689**	**183,112**	**202,341**

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 as at 30.06.2018 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.

Treasury Shares

As at 30.06.2021, the Bank owned a total of 26 treasury shares of "Attica Bank S.A." at acquisition cost of € 97,332.30. These shares resulted from the reverse split of the 380 common registered shares held on 30.04.2018, which took place within the framework of the share capital increase. These shares represent a percentage of 0.0000056% the total common shares with voting right the same date.

24. Related party transactions

(Amounts in thousand €)	Group		Bank	
Transactions with related companies	**30.06.2021**	**31.12.2020**	**30.06.2021**	**31.12.2020**
Receivables	6,082	6,006	10,923	10,457
Liabilities	262,381	263,096	266,350	266,410
	1.1-30.06.2021	**1.1-30.06.2020**	**1.1-30.06.2021**	**1.1-30.06.2020**
Income	73	66	74	67
Expenses	769	1,450	788	1,843
Transactions with Members of the Management	**30.06.2021**	**31.12.2020**	**30.06.2021**	**31.12.2020**
Receivables (Loans)	54	57	54	57
Liabilities (Deposits)	705	1,050	705	1,050
	1.1-30.06.2021	**1.1-30.06.2020**	**1.1-30.06.2021**	**1.1-30.06.2020**
Interest income	0	1	0	1
Interest expenses	3	8	3	8
Salaries and wages	754	818	754	818
Directors' fees	234	327	234	253
Total fees of Members of Management	**988**	**1,145**	**988**	**1,071**

Transactions with related companies include subsidiaries and associates of the Group, as presented in note 15,16 and 17, 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 €)	Group and Bank	
Description	**30.06.2021**	**31.12.2020**
Contingent Liabilities		
Letters of Guarantee	283,517	261,346
Letters of Credit	1,483	1,063
Contingent liabilities from forward contracts	3,873	3,873
Total Contingent Liabilities	**288,873**	**266,282**
Undrawn Credit Limits		
- Up to 1 year maturity	217,901	129,562
- Over 1 year maturity	32,065	32,555
Total Undrawn Credit Limits	**249,966**	**162,117**
Pledged Assets		
European Central Bank (E.C.B.)		
Financial assets measured at fair value through profit or loss	39,851	2,408
Financial assets measured at fair value through other comprehensive income (FVOCI)	52,000	159,742
Investment securities measures at amortized cost	68,200	50,000
Loans and advances	158,188	133,188
Total commitments to E.C.B.	**318,239**	**345,338**
Total Pledged Assets	**318,239**	**345,338**
Total off-balance sheet liabilities and pledged assets	**857,079**	**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 30.06.2021:

Description	**E.C.B**	**Total**
Nominal Value of pledged Collaterals	318,239	318,239
Adjusted Value of pledged Collaterals	275,829	275,829
Liquidity drawn	**210,000**	**210,000**

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 30.06.2021, 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 30.06.2021, 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 30.06.2021, "Provisions for credit risk coverage from off balance sheet items" amounts to 18,189 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 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 June 2021

1. On 06.07.2021, was issued the Act No 28 of the Council of Ministers, concerning the activation of the provisions of article 27A of law 4172/2013 and the conversion of the deferred tax asset into a deferred tax credit, which is estimated, according to current data, to lead to the improvement of the regulatory capital quality and the further improvement of Bank and Group liquidity. Pursuant to Article 27A of Law 4172/2013, the amount of the final and cleared deferred tax claim against the Greek State amounts to 152 million euros. The specific issues concerning the process of implementation of this law, as defined in the existing legal framework, have been determined based on the above-mentioned Act 28 of the Council of Ministers on 6th July 2021 (Note 22)
2. On 28 of July 2021, the Bank received a non-binding offer for the sale of the mezzanine note of Astir 1 securitization. The due diligence process by the interested investor continues and it is estimated that around mid-September 2021 the relevant binding offer will have been received.
3. 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 euro.
4. Attica Bank's Board of Directors on its meeting on August, 12th 2021,in the context of the implementation of the activation of the provisions of article 27A of Law 4172/2013 ("DTC") and the relevant articles of the Cabinet Act No. 28/06.07.221, has reached unanimously to the following decisions:

- 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.

5. On 16th of August, following the stock exchange announcement of 12th of August 2021, the Bank decided the issuance, at 16.08.2021, of 992,512,679 free (without remuneration) warrants in favor of the Greek State in accounting form, by crediting them to the Securities' Account preserved by the Greek State in the General Depository System.
6. 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.

7. The Bank and the Group, as at 30.06.2021, have classified as assets held for sale their participation in the associate company “Thea Artemis Societe Anonyme for Management of Loans and Appropriations” according to IFRS 5. 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. The impact of this transaction on the Bank's financial position and financial results will be reflected in the financial statements as at 30 September 2021.