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Financial
Results

H1 2022 GROUP FINANCIAL RESULTS

- *Operating Loss of €20.13 mln mainly due to the reduction of interest income and the reduction resulting from the results of financial operations and investment portfolio of the Bank.*
- *Interest income decreased by 32.9% compared to the comparative period, mainly due to a lower interest basis as a result of the completion of Omega securitization transaction within 2021.*
- *Fee & Commission Income increase by 21% yoy; Continuous substantial improvement in the last five quarters.*
- *Rationalization of cost base due to further reduction of personnel expenses by 9.8% that was offset by the increase in recurring operating expenses by 3.4% on an annual basis.*
- *Deposits at the levels of €2.73 bn vs loans after provisions at €1.36 bn*
- *New Disbursements in H1 2022 amounting to €185 mln.*
- *Regulatory NPE ratio at 67.6%*
- *Capital ratios of the Group CET1 at 6.4% and CAD at 9.94%; Capital Restoration Procedures in progress in conjunction with the support of the main shareholders of the Bank (TMEDE, Rinoa LTD-Ellington Solutions and HFSF).*

Management Statement

In an environment of significant macroeconomic challenges, where there is concern for the global and European economy, due to geopolitical risks and the distress concerning the sufficiency of energy reserves, the outlook for the Greek Economy remains highly improved due to the impressive recovery of tourism and due to new significant investments that have been launched.

During the first half of the year, which did the effects of the health and economic crisis that the COVID-19 pandemic continued to cause, the economic activity in Greece managed to absorb all the extreme challenges and to exceed any expectations set in early 2022.

In the current environment, characterized by complex and unprecedented challenges, the Bank has the support of its main shareholders TMEDE, Rinoa LTD - Ellington Solutions and HFSF. In particular, based on the capital plan approved on 30.9.2022, as well as the business plan approved on the aforementioned date, Attica Bank is accelerating its operational and business transformation actions. In this context, the above-mentioned key shareholders of the Bank agreed to strengthen the Bank's supervisory capital, with a total amount of €490 million, out of which €459 million will be covered by the aforementioned shareholders. More specifically, an amount of €300 million will be used for additional provisions for the impairment of the Bank's total NPE securitizations, while the amount remaining from the total will be allocated for the purpose of the NPEs' management and restructuring of the Bank, so as to become operationally profitable by the end of 2024.

During the first semester, there is a significant improvement in commission income compared to the comparative period by 21%, with the largest improvement being achieved through the increase of fee income from loans by 32%, and by 30% from the increase in fee income from e-services for a 2nd continuous quarter.

Operating expenses presented an increase on an annual basis reflecting the increased general and administrative expenses and higher depreciation due to the implementation of a new business plan and the Bank's strategic investments mainly in the IT sector. The prudent management of recurring expenses as well as the reduction of personnel costs offset the reduction of the Bank's personnel by 106 employees on an annual basis.

Additionally, the new disbursements for the first semester amounted to approximately €185 million along with the improvement of quality ratios of the loan portfolio. In addition, there are no indications of an increase in the NPEs of customers who had joined government support programs, nor of other customers. The rate of formation of NPEs remains unchanged during the second quarter of 2022. Attica Bank's liquidity remains high, maintaining the level of deposits of its customers at € 2.73 billion.

2022, will be the year in which the foundations are set for Attica Bank's return to profitability through the €490 million share capital increase and the implementation of a new business plan for the period 2022-2025. In this context, the restoration of the Balance Sheet will also be achieved and capital funds will be released, which will be channeled with the optimization of all the main operating lines, with the aim of further strengthening the Bank's profitability so as for Attica Bank is prepared to cope with any unexpected macroeconomic challenges in the foreseeable future.

Presently, the process regarding the 2022-2025 business plan has been completed, which includes all appropriate actions to strengthen the regulatory capital and is supported by the written agreement of the shareholders for a share capital increase of €490 million, within 2022. The business plan, which includes significant transformation actions, has been approved by the Bank's internal bodies and will be submitted promptly to the competent supervisory authorities. The aim of the Management based on the Bank's new business plan for the period 2022-2025, is to emphasize growth and extroversion focusing on financing, strengthening and providing total banking solutions in the real economy, so as for the Bank to return profitable by the end of 2024.

Attica Bank is committed to the evolution of its corporate culture to an even more human-centered and diverse one and to the upgrading of the skills of all its employees through continuous investments in training, infrastructure and tools as well as the implementation of practices that support the well-being of people and facilitate work-life balance.

Balance Sheet Highlights

- Attica Bank continued its rising progress in granting new loans in accordance with its strategic plan.
- Gross Loans amounted to €1.68 bn and excluding Astir 1 & 2 gross loans amounted to €1 bn. New disbursements stood at €185 mln, out of which €171.1 mln concern corporate and €13.8 mln retail loans. Attica Bank's strategy focuses on financing investments mainly in the energy, infrastructure and tourism sectors.
- The Bank maintained its strong liquidity profile with the deposits' balances amounted to €2.73 bn as at 30.06.2022. Current and savings accounts stood at €1,072 mln and time deposits at €1,654 mln. The minimum supervisory liquidity ratios remain well above the threshold during the first semester. In particular, LCR stood at 157% (June figures) and the gross loans to deposits ratio stood at 61.9%.
- At the same time, the average cost of deposits decreased further by 13 bps compared to FY 2021, while a further decrease was observed in the average cost of time deposits by 14 bps. The significant improvement in liquidity has made the Group more focused on cost management throughout 2022, in an effort to strike a balance between attracting deposits and reducing interest expenses.
- Based on the approved business plan 2022-2025, the main shareholders of the Bank agreed to strengthening the Bank's regulatory capital, with a total amount of €490 million, out of which €459 million will be covered by the abovementioned shareholders in order to gradually return to organic profitability by the end of 2024. Moreover, on 30.9.2022 the Management of the Bank received a letter where reference is made to the basic principles of the first agreement of the main shareholders, that envisage on one hand for the non-inclusion of the Omega, Astir 1 and 2 securitizations into the government guarantee support scheme for Bank's securitizations "HAPS 2" on the basis of the booking of additional impairment provisions by the Bank for the NPE securitizations of an estimated amount of €300 million and increase the Bank's share capital by an amount of €490 mln within 2022, of which approximately €459 mln will be covered by the Main

Rising Progress of Loan's Disbursements

Strong liquidity and funding capacity

Capital Plan Actions for capital enhancement

Shareholders and in regards to HFSF in accordance with the provisions of article 8.7 of the L.3864/2010 as in force. On the basis of the aforementioned, the Main Shareholders will convey and draft the final contractual legal documents that will reflect the entire agreement. Finally, it is stated in the letter that in the view of the Main Shareholders, the agreement in principle will ensure the long-term viability of the Bank as it effectively deals with all of its non-performing exposures and its development path for the future.

- Attica Bank also planned additional actions aimed at further strengthening its capital funds through the active utilization of the Bank's investment properties.
- Moreover, with regard to the Bank's balance sheet restoration and the radical reduction of NPEs, based on the approved business plan, in the foreseeable future, the Bank's Management will engage an international consulting firm to assess alternative actions and scenarios regarding the optimal management of the securitized portfolios, taking into account the regulatory framework, with the aim of further gradually reducing the related credit risk of aforementioned portfolios in the Bank's Balance Sheet for the period 2022-2025.

Group's Efficiency

- The Bank for the first semester of 2022 recorded an operating result before provisions, a loss of € 20.13 million mainly due to the reduction of interest income and the significant reduction resulting from the results of financial operations and investment portfolio of the Bank. Despite the lower contribution of net interest income, the performance of the Bank's main operating income, including financial results, remained rather stable.

**Reducing
financing costs
keeps operating
revenue base
rather stable**

- Interest income decreased by 32.9% compared to the corresponding comparative period of 2021. This negative impact is mainly related to the reduction of interest income by 26.4% as a result of a) the completion of Omega securitization transaction within 2021, which led to a lesser borrowing base for the first semester of 2022 compared to the comparative period and b) the change in the interest rates of the senior notes, which led to the reduction of interest income by 65% due to the adjustment in the interest rates of the aforementioned notes. The decrease was partially offset by the lower financing cost of the Bank's operations by 17.4% compared to the comparative period of 2021. The reduction of financing costs is the result of the revaluation of deposit products as well as the de-escalation of financing costs by liquidity-raising mechanisms.

**Significant
Increase of
Commission
Income**

- Fee and Commission Income amounted for H1 2022 to €3.25 mln, a significant increase by €1.45 mln throughout the second quarter and 62.0% compared to the comparative period. Key contributors to the significant increase were the granting of new loans and letters of guarantee as well as the income from transactions via e-services.

**Reduction of
Personnel
Expenses yoy.
Cost Base
rationalization.**

- During the first half of 2022, the constant effort of the Bank regarding the rationalization of the cost base has been reflected. The prudent management of recurring expenses as well as the reduction of personnel expenses, as a result of the reduction of the Bank's personnel by 106 people on an annual basis, was partially offset. Attica Bank's personnel expenses decreased by 9.8% on an annual basis, as it reflects savings from human resources' restructuring actions through the Bank's new voluntary exit plan, while the amount of the recurring operating expenses appears marginally increased by 3.7% compared to the comparative period mainly due to the significant purchases of intangible assets during the first semester of 2022.

Profit & Loss Statement

<i>All amounts in EUR million</i>				
Profit & Loss Statement	Jun-22	Jun-21	Δ EUR	Δ %
Net Interest Income	18.24	30.58	-12.34	-40.4%
Net Fee & Commission Income	3.25	2.01	1.24	62.0%
Total Operating Income	20.03	28.15	-8.12	-28.9%
Total Operating Expenses	-40.15	-35.15	-5.00	14.2%
Pre Provision Income	-20.13	-7.00	-13.12	187.5%
Total Provisions	-5.95	-5.86	-0.09	1.5%
Results from associates	-0.30	0.32	-0.62	-195.3%
Profit / (Loss) before taxes	-26.38	-12.54	-13.83	110.3%
Tax	-3.44	-6.95	3.51	-50.5%
Profit / (Loss) after taxes	-29.82	-19.49	-10.32	52.9%

Balance Sheet Figures

All amounts in EUR million	June-22	Dec-21	Δ EUR	Δ %
Balance Sheet Figures				
Gross Loans & Advances to customers	1,687.3	1,655.3	32.0	1.9%
Net Loans & Advances to customers	1,355.3	1,325.5	29.7	2.2%
Financial Assets	1,256.1	1,182.3	73.8	6.2%
Tangible. Intangible Assets. Investment Property	154.0	156.1	-2.1	-1.3%
Deferred Tax Assets	264.2	267.4	-3.3	-1.2%
Other Assets	422.1	734.7	-312.6	-42.6%
Total Assets	3,451.6	3,666.1	-214.5	-5.9%
Deposits from Banks	234.9	222.7	12.3	5.5%
Deposits from customers	2,727.2	2,920.6	-193.3	-6.6%
Other Liabilities	188.2	191.4	-3.2	-1.7%
Total Liabilities	3,150.3	3,334.6	-184.3	-5.5%
Total Equity	301.3	331.5	-30.2	-9.1%
Total Liabilities & Equity	3,451.6	3,666.1	-214.5	-5.9%

Note: The H1 2022 Financial Statements will be published on the Bank's web site <https://www.atticabank.gr/en/> on 30.09.2022.