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month

Financial  
Results

## H1 2021 GROUP FINANCIAL RESULTS

- Net Interest Income increased by 22% compared to the last semester
- Significant Net Commission Income increase by 51% yoy
- Increase of deposits by 9.3% yoy
- New financing and refinancing doubled in the second quarter, amounting to €109 mln vs the previous quarter
- 5.1% of the performing loan portfolio (before provisions) relate to covid-19 exposures
- NPE ratio less than 1% on a pro forma basis. Without taking into account the securitizations Astir 1&2 and Omega, NPE ratio stands at 45.3% and NPE Cash Coverage Ratio at 43.6%
- Development according to plan of the capital adequacy recovery program (Capital Plan). During the current period, the Bank finalizes all actions concerning the implementation of the enhancement of the regulatory capital based on the relevant program.

## Management Statement

*2021 started in a positive condition, with expectations for strong growth and restoration of normalcy. However, the third wave of the pandemic led to the extension and tightening of the restrictions imposed on the country's economic and social life in order to stem the health crisis. The expansion and acceleration of the vaccination program in recent months has helped to remove uncertainty and has created positive expectations for both businesses and consumers.*

*According to the BoG forecasts for 2021, economic activity is estimated to recover and increase at a rate of 4.2%, which will accelerate to 5.3% in 2022. The recovery is expected to accelerate in the second semester, with the contribution of the resources of the European recovery fund but also with the partial return of tourism.*

*In this positive environment, Attica Bank focuses on resuming economic activity, helping its customers to regain their market share. In this context and following the consolidation of its Balance Sheet with the publication of the results of December 31, 2020, the Management of the Bank announced on 09.07.2021 that is proceeding with a growth increase of its share capital up to €240 million within 2021. The aim of the abovementioned increase is to support the implementation of the three-year Business Plan 2021-2023 which - among other actions - anticipates the increase of loan balances by approximately €2 billion and at the same time ensures the rapid recovery of the Bank's capital adequacy ratios to a degree so as to support the successful implementation of its Business Plan.*

*Attica Bank has dedicated its new strategic plan on the utilization of business opportunities created by the creation of modern banking products in order to finance the environmental strategy of its customers, as well as the completion of its digital and business transformation and its relocation to market both through digital channels and through its business network, the operating model of which will be modified in order to meet modern necessities.*

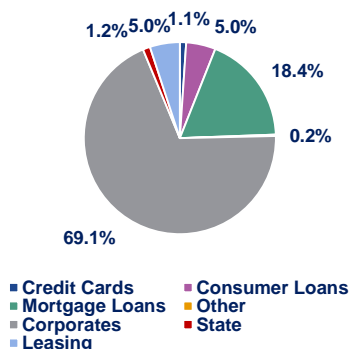
*The publication of the results of the H1 2021 marks a dynamic start for the Bank as it reflects the trend for the success of its new transformation program that has been implemented since the end of 2020. More specifically, the new financing and refinancing for H1 2021 amounts to approximately €184 million and the loan-to-deposit ratio is at 58%. In addition, Attica Bank continued to improve its liquidity, and showed a significant increase as deposit balances increased on an annual basis by 9.3%.*

*In particular, during the first semester, there is a significant improvement in almost all operational lines of Attica Bank's financial results. Net interest income increased by 22% compared to the comparative period of 2020, which is due to the improvement of interest income from loan disbursements and due to the lower cost of financing the Bank's operations. Respectively, the net commission income showed a significant increase of 51% with the largest improvement being achieved through the increase of lending income, amounting to 111%.*

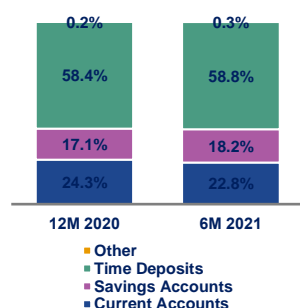
*The Management of Attica Bank, its shareholders and employees are committed to implement responsibly and efficiently the strategic plan of the Bank so as for Attica Bank to acquire a leading role with its own distinct and supportive part in the development of the real economy.*

## Balance Sheet Highlights

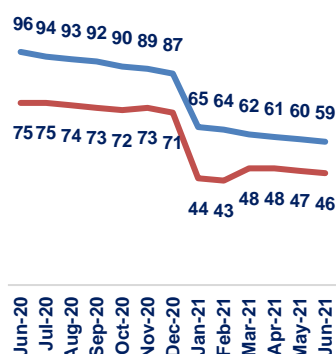
### Loan-book composition



### Strong liquidity and funding capacity



### Increase of deposits by +9.3% yoy with lower cost



- In Q2 2021, Attica Bank managed to support businesses and households, in unprecedented conditions of uncertainty and financial instability due to the coronavirus pandemic. The Bank participated in all state-guaranteed sponsored programs for the benefit of its customers and at the same time increased funding in order to support the real economy.
- Gross Loans amounted to €2.1 bln, substantially increased by 4.0% compared to 31.12.2020. New financing and refinancing stood at c. €184.5 mln, out of which €171.2 mln concern corporate and €13.2 mln retail loans.
- Since 2016, the Bank has paid to the BoG/ECB the amount of €1.1 bln cumulatively for the repayment of ELA that corresponds to the 1/3 of its total assets and has increased its deposits, since December 2016, by 53%.
- Eurosystem funding increased in H1 2021 and stood at €210mln from €155mln in FY 2020, while at the same time, funding cost decreased.
- As at 30.06.21, deposits' balances amounted to €2.90 bln, increased by c. €246 mln and by 9.3% yoy, while currently, customer deposits already exceed €3.06 bln, reflecting the positive developments in the domestic market.
- Current and savings accounts stood at €1,185 mln and time deposits at €1,702 mln.
- At the same time, the average cost of deposits decreased by 0.25 bps compared to FY 2020. The significant improvement in liquidity has made the Group more focused on cost management, in an effort to strike a balance between attracting deposits and reducing interest expenses. The new cooperation with Raisin, a deposit platform for citizens of the European Union, through which the inflows increased by €109 mln during the first semester, also contributed significantly.
- As a result, gross loans to deposits ratio stood at 71.4%.

## **Capital Restoration Plan**

- In April 2021, the Bank proceeded with a new securitization “Omega”, which includes the loans/credits of the existing securitization under the name “Artemis” and almost the total portfolio of the non-performing exposures of the Bank as at 31.12.2020. Attica Bank intends to include the aforementioned securitization in the State Guarantee Program “HAPS II”. Upon the successful inclusion of the senior note into this program, the capital adequacy ratios (CET1 and CAD) are estimated to increase by more than two percentage points on a pro-forma level.
- On 14.05.2021, following the announcement of 27.04.2021, the Bank has informed investors that it received a binding offer for the acquisition of the Mezzanine Note and the Junior Note as well as a majority percentage of the share capital of “Thea Artemis SA Management of Loans and Credit Claims”, which was accepted in its context by the Bank. With the conclusion of the investor, the Bank's Business Plan starts to unfold regarding the zeroing of its non-performing exposures.
- On 09.07.2021, Attica Bank announced following the grant of the authorization received from the Bank's shareholders at the General Meeting of 07-07-2021, as the Bank to proceed in a share capital increase, up to €240 mln within 2021.
- In relation to other capital enhancement actions, Attica Bank has recruited advisors concerning the legal and technical part of Omega, Astir 1 and 2 securitizations. For Astir 1 and 2 securitizations, an international house has already been appointed to determine credit rating of senior notes. Finally, Attica Bank has already received a non-binding offer for the Mezzanine note of the Astir 1 securitization. The relevant procedure is being completed.

## Group's Efficiency

### Steady increase of net interest income

- Net Interest Income increased by 21.8% in the first semester of 2021 mainly due to the reduction of financing costs. The financing cost presented a remarkable reduction by 20.6% on a yearly basis, mainly due to the significant cost containment of deposits that absorbed the related costs from new disbursements in H1 2021.

### Resilient Net Commission Income

- Fee and Commission Income amounted for H1 2021 to €6.6 mln, a resilient outcome, given the constraints of the economic activity due to covid-19 pandemic. The main contributors to the aforementioned resilience were the new loan production as well as the income from Bancassurance.

### Cost Base

- At the same time, although Attica Bank proceeded to the recruitment of new employees in key positions, personnel expenses displayed a marginal decrease of 1.0%.
- In addition and following the announcement of the Voluntary Exit Plan of 13.5.2021, the first phase of this program has already been completed with the submission of 49 applications and the annual savings is estimated at about € 2.1 mln.

## Digital Transformation Plan

### Significant Increase in digital payments as a result of Digital Transformation Plan

- The registered e-banking users increased by 18% on an annual basis. Furthermore, the active customers of digital services (internet & mobile banking) of Attica Bank presented a remarkable increase of 25% in H1 2021 compared to H1 2020.
- The percentage of transactions made by individuals through Attica Bank's digital channels (e-banking & m-banking) increased by 34.5% y-o-y. Specifically, the transactions through mobile banking displayed an annual increase of 110%.

## Summary of Financial Data

<i>All amounts in EUR million</i>				
Profit & Loss Statement	Jun-21	Jun-20	Δ EUR	Δ %
Net Interest Income	28.78	23.63	5.16	21.8%
Net Fee & Commission Income	2.01	1.33	0.68	51.2%
Total Operating Income	26.35	34.32	-7.97	-23.2%
Total Operating Expenses	-33.36	-32.00	-1.35	4.2%
Pre Provision Income	-7.00	2.32	-9.32	-402.3%
Total Provisions	-5.86	-30.27	24.41	-80.6%
Results from associates	0.32	0.42	-0.10	-23.5%
Profit / (Loss) before taxes	-12.55	-27.53	14.99	-54.4%
Tax	-6.95	-2.01	-4.94	245.2%
Profit / (Loss) after taxes	-19.50	-29.55	10.05	-34.0%

<i>All amounts in EUR million</i>				
Balance Sheet Figures	June-21	Dec-20	Δ EUR	Δ %
Gross Loans & Advances to customers	2,066.5	1,986.9	79.5	4.0%
Net Loans & Advances to customers	1,679.8	1,600.9	78.8	4.9%
Financial Assets	1,000.5	981.1	19.5	2.0%
Tangible. Intangible Assets. Investment Property	162.5	162.2	0.3	0.2%
Deferred Tax Assets	414.3	421.4	-7.1	-1.7%
Other Assets	390.1	413.9	-23.9	-5.8%
<b>Total Assets</b>	<b>3,647.2</b>	<b>3,579.5</b>	<b>67.6</b>	<b>1.9%</b>
Deposits from Banks	393.0	401.2	-8.1	-2.0%
Deposits from customers	2,896.0	2,801.4	94.6	3.4%
Other Liabilities	170.5	170.2	0.3	0.2%
<b>Total Liabilities</b>	<b>3,459.6</b>	<b>3,372.9</b>	<b>86.8</b>	<b>2.6%</b>
Total Equity	187.5	206.7	-19.2	-9.3%
<b>Total Liabilities &amp; Equity</b>	<b>3,647.2</b>	<b>3,579.6</b>	<b>67.6</b>	<b>1.9%</b>

**Note:** Note: The above information for H1 2021 is unaudited. The Financial Report for the year ended 30 June 2021, including the Independent Auditor's Report, will be published on 31st August 2021.