

9 month Financial Results

Q3 2022 GROUP FINANCIAL RESULTS

- *Loss after tax on a recurring basis at € 27.6 mln vs € 26.9 mln of the comparative period. Operating loss of €20.4 mln, excluding one-off expenses vs loss of € 12.1 mln of the comparative period, mainly due to the decrease of net interest income.*
- *Operating loss amounted to €34.2 mln including non-recurring expenses due to the decrease of interest income and the increase of operating expenses with a non-recurring amount of € 13.8 mln related to third-party fees for projects in the context of the implementation of the shareholders' agreement and the transformation of the Bank.*
- *Net interest income decreased by 23.5% vs the comparative period due to large repayments as well as the completion of the Omega securitization transaction within 2021, resulting in a lower borrower's base for the nine months of 2022 compared to the nine months of 2021, as well as the lowest coupon of the senior bond of the said securitization transaction. Ongoing reduction of 20% in interest expenses as part of the implementation of the Bank's rationalization plan regarding deposit pricing and the diversification of the sources of liquidity.*
- *Increase in net fee income by 24.1% on an annual basis resulting from the increase of fees from transactions both with the use of credit and debit cards and through the Bank's POS, as well as the increased commissions related to money transfer and the issuance of new letters of guarantee.*
- *Rationalization of cost base with a total decrease of recurring operating expenses by 8% on an annual basis. Personnel expenses down by 9.8% and operating expenses by 8% on an annual basis.*
- *Deposits at €2.72 bn vs loans after provisions at €1.35 bn*
- *New Disbursements in Q3 2022 amounting to €241 mln.*
- *Regulatory NPE ratio at 65.97%*
- *Group capital ratios CET1 at 6.3% and CAD at 10.1% with capital restoration actions in place, as capital actions of € 490mln are scheduled. It is estimated that CET1, Tier 1 and CAD ratios will increase on a standalone and pro-forma basis by approximately 18 percentage points.*

Management Statement

2023 is a transformation year for Attica Bank, both at the operational level and at the level of capital actions and resolutions in order to strengthen and restore the Bank's capital position. The Bank has already set in force the Business Plan approved by its Board of Directors for the next three years, which includes capital reinforcement actions as well as the management strategy of non-performing exposures.

In this context, the Bank's Board of Directors decided on 09.12.2022 to convene an Extraordinary General Meeting on 30th December 2022, in order to approve the share capital increase for an amount of up to €473.3 mln through a public offering with preemptive rights in favor of the existing shareholders, a procedure that will allow the coverage of the total amount of the capital increase of €490 million. On 16.12.2022, the letter of 15.12.2022 was notified to the Bank from the Hellenic Financial Stability Fund, TMEDE, Ellington Solutions SA and Rinoa Ltd (as an investment vehicle advised by Ellington Solutions SA) addressed to the Bank of Greece for information and assessment, received as a follow-up to the letter of the Bank dated 21.11.2022, regarding the participation of the Main Shareholders in the upcoming share capital increase of the Bank.

The aim of the Bank's capital reinforcement is a) to meet the requirements of the regulatory capital in order to restore the required regulatory ratios that will allow the further development of the Bank's operations based on its Business Plan, b) the effective management of NPEs, and c) the restructuring and development of the Bank through the implementation of the approved Business Plan 2022 - 2025.

Moreover, Attica Bank has focused on the modernization in key areas such as the improvement and upgrading of IT infrastructure, digital transformation, automation of processes, as well as the founding of digital branches that will lead to the gradual transformation of the traditional network to digital service points.

Attica Bank's Management view is that the smaller banks are envisaged to cover the financing gap in small and medium enterprises and the perfecture, a sector that is not adequately covered by the systemic banks. In this field, Attica Bank will be present with new financial tools and digital services, complementary to its existing product portfolio. At the same time, however, there will always be a need for personal contact and real-time service so that the customer receives the best services by contacting a bank advisor. This will be the philosophy of the new bank we are creating, states the Attica Bank Management.

Regarding the nine months results of 2022, there is a significant improvement in fee income vs the comparative period of 2021 by approximately 12%, with the greatest improvement through the increase in income from the use of cards and other payments by 21%, and from the 18% increase in income from the letters of guarantee.

Operating expenses displayed an increase on an annual basis, reflecting increased general and operating expenses, which is mainly due to third-party fees related to projects in the context of the implementation of the shareholders' agreement and

the transformation of the Bank. If the non-recurring amount of approximately €13.8 million is excluded, general operating expenses have decreased by 8%. The prudent management of recurring expenses as well as the reduction of personnel expenses by 9.4% vs the comparative period as a result of the completion of the voluntary exit programs of the years 2021 and 2022 counterbalanced the aforementioned increase.

Furthermore, total disbursements during the nine months' period amounted to approximately €241m with improvement of loan portfolio quality indicators. Additionally, there are no indications of an increase in NPEs, as well as for customers included in government support programs. The rate of formation of NPEs remains unchanged during the 3rd quarter of 2022. Attica Bank's liquidity remains at high levels, maintaining the level of its customers' deposits at €2.72 billion.

The Management of Attica Bank and its employees, looking ahead, are committed to implement responsibly and efficiently the strategic planning of the Bank so as for Attica Bank to have a leading role with its own distinct and supportive part in the development of the real economy. In this context and while investing at the same time in the development of its customer-based corporate strategy, Attica Bank proceeded to renew and strengthen its leadership team, including renowned executives of banking, in order to implement its business plan that will signal its return on a growth path, alongside with the consolidation of its balance sheet.

Balance Sheet Highlights

- The Bank continued its credit expansion based on its strategic planning, displaying a satisfactory trend in granting new loans. New financing and refinancing during the third quarter amounted to approximately 56 million euros, while cumulatively since the beginning of the year to approximately 241 million euros.

Loan-book composition

- Gross loans amounted to €1.67 billion and excluding Astir 1 and 2 securitized loans, to approximately €1 billion. New disbursements for this period amounted to approximately €241.2 million, out of which €221.8 million concern corporate banking and €19.4 million retail banking. The Bank's strategy focuses on financing investments mainly in the energy, infrastructure and tourism sectors.

Strong liquidity and funding position

- The Bank maintained a satisfactory liquidity position with the accounting balance of deposits amounting to €2.72 billion on 30.09.2022. Savings and sight deposits amounted to €1,090 million, while term deposits to €1,630 million. The minimum supervisory liquidity ratios remain above the minimum thresholds during the nine months' period. In particular, the liquidity coverage ratio (LCR) for September amounted to 126.8% and the Group's loan to deposit ratio (before provisions) amounted to 61.3%.

- At the same time, the average cost of deposits further decreased by 17 bps in relation to the end of the year 2021, while a similar reduction was also noted in the average cost of term deposits by 15 bps. The significant improvement in liquidity has allowed the Group to focus on cost containment and throughout 2022, in its effort to achieve a balance between attracting deposits and reducing interest expenses.

Capital Restoration Plan

- Based on the approved business plan of 2022-2025, the main shareholders of Attica Bank agreed to the reinforcement of the Bank's supervisory capital, by €490 million through the a share capital increase amounting to €473.3 million with the payment in cash in order the Bank to gradually return to organic profitability by 2024. The above intention of the main shareholders (Hellenic Financial Stability Fund, TMEDE, Ellington Solutions SA and Rinoa Ltd - as an investment vehicle advised by Ellington

Solutions SA) was expressed in their letter to the Bank's Management on 15.12.2022. The implementation of the actions and procedures of the Bank's capital increase is progressing according to the plan and according to the provisions of the legal and regulatory framework and with the convening of the General Meeting of Shareholders on 30.12.2022.

- At the same time and after the assessment of alternative management options for the NPEs, the Bank's Management expects that in the near future, the relevant management strategy will be decided for the optimal management of the NPEs as well as the assets held by the previous NPEs securitization transactions.

Group's Efficiency

Operating result

- The Bank for the nine months of 2022 displayed an operating result before provisions, loss of €34.2 million due to the decrease of interest income and the increase of operating expenses with a non-recurring amount of €13.8 million related to third party fees for projects in the context of the implementation of the shareholders' agreement and the transformation of the Bank. Despite the lower contribution of net interest income, the performance of the Bank's main operating results lines remained resilient.

Interest income

- Interest income is reduced by 23.5% compared vs the comparative period of 2021. This fact is mainly due to a) the decrease in interest income by 20.4% from loans and receivables from customers as a result of large repayments as well as due to the completion of the Omega securitization transaction (due to the recognition of the additional portfolio included in the securitization perimeter) in the second half of 2021, events that resulted in a lower borrowers' base for the nine months of 2022 compared to the nine months of 2021 and b) at the completion of the Omega securitization transaction due to the lower coupon of the senior note of the said securitization transaction, compared to the corresponding note of the Artemis securitization transaction. The above is partially offset by the lower cost of financing the Bank's operations by 29.4% compared to the comparative period of 2021, as a result of the continued repricing of deposit products.

Increase of Net Fee Income

- Net Fee and Commission Income in Q3 2022 amounted to €4.6 mln, increased by € 0.9 million vs the comparative period with a total change of 24.1%. Key factors in the significant increase were the increased transactions using cards as well as the granting of new loans and letters of guarantee.

Cost Base

- Regarding the actions for the rationalization of the cost base, and during the nine months of 2022 the prudent management of recurring expenses continued as well as the reduction of staff costs, where after the completion of the voluntary exit programs of the years 2021 and 2022 the personnel cost decreased by 9.4% on an annual basis, while the recurring operating expenses of the Bank by 8%.

Summary of Financial Data

<i>All amounts in EUR million</i>				
Profit & Loss Statement	Sep-22	Sep-21	Δ EUR	Δ %
Net Interest Income	29.16	38.12	-8.96	-23,5%
Net Fee & Commission Income	4.60	3.70	0.89	24,1%
Total Operating Income	31.34	41.49	-10.15	-24,5%
Total Operating Expenses	-65.55	-53.58	-11.96	22,3%
Pre Provision Income / (Loss)	-34.21	-12.10	-22.11	182,8%
Total Provisions for credit risks and other provisions	2.38	-8.03	10.41	-129,6%
Results from associates	-0.30	0.32	-0.62	-195,5%
Profit / (Loss) before taxes	-32.14	-19.81	-12.33	62,2%
Tax	-9.27	-7.05	-2.22	31,5%
Profit / (Loss) after taxes	-41.41	-26.86	-14.55	54,1%

<i>All amounts in EUR million</i>				
Balance Sheet Figures	Sept-22	Dec-21	Δ EUR	Δ %
Gross Loans & Advances to customers	1,669.5	1,655.3	14.2	0.9%
Net Loans & Advances to customers	1,350.2	1,325.5	24.7	1.9%
Financial Assets	1,178.8	1,182.3	-3.6	-0.3%
Tangible. Intangible Assets. Investment Property	154.4	156.1	-1.6	-1.0%
Deferred Tax Assets	235.3	267.4	-32.1	-12.0%
Other Assets	419.9	734.7	-314.8	-42.8%
Total Assets	3,338.7	3,666.1	-327.4	-8.9%
Deposits from Credit Institutions	132.0	222.7	-90.7	-40.7%
Deposits from customers	2,721.4	2,920.6	-199.2	-6.8%
Other Liabilities	195.3	191.4	3.9	2.1%
Total Liabilities	3,048.7	3,334.6	-285.9	-8.6%
Total Equity	290.0	331.5	-41.5	-12.5%
Total Liabilities & Equity	3,338.7	3,666.1	-327.4	-8.9%

Note: The Q3 2021 Financial Statements will be available on the Bank's website <https://www.atticabank.gr/en/> on 28.12.2022.