

Report of the Board of Directors of "ATTICA BANK ANONYMOUS BANK" pursuant to article 22 par. 1 of Law 4706/2020 and section 13 of the decision no. 25 of the Athens Exchange's Stock Exchange Management Committee

A. Introduction

The Extraordinary General Meeting of the shareholders of "ATTICA BANK ANONYMOUS BANK LTD" (the "**Bank**"), on 25.09.2024, is called upon to decide, among other things, the increase of the Bank's share capital by €17,973,468 with the possibility of partial coverage in accordance with article 28 of Law no. 4548/2018, by issuing up to 359,469,360 new common nominal shares with a nominal value of €0.05 each, to be paid in cash and distributed at a price of €1.87 per share, with preemption rights in favour of the existing shareholders of the Bank.

In the context of the aforementioned increase, the Board of Directors submits to the General Meeting of Shareholders this report, in accordance with article 22 par. 1 of Law 4706/2020 and section 13 of the decision No. 25 of the Athens Exchange's Stock Exchange's Stock Exchange Management Committee.

Taking into account the provisions of the agreement between the Hellenic Financial Stability Fund and Thrivent Holding Ltd (the "**Shareholders' Agreement**") dated 18.07.2024, as ratified by article 1 of Law 5127/2024, and following the completion of the merger through the absorption of "Pancreta Bank Société Anonyme" by the Bank (the "**Merger**"), the Bank seeks to raise funds of up to €672,207,703.20, in order to cover the additional capital needs of the Bank, as they arise after the Merger, on the one hand, as a consequence of the requested inclusion of the loan portfolios of the merging banks in the "Heracles III" programme, and on the other hand, to support the implementation of the expansion of operations under the Bank's business plan.

In this context, the Board of Directors of the Bank recommends to the General Meeting of Shareholders, *inter alia*:

(a) The increase of the Bank's share capital by €17,973,468 (the "**SCI**"), through the issuance of up to 359,469,360 new, common, dematerialized, registered shares with voting rights with a nominal value of €0.05 each (the "**New Shares**"), payable in cash and with pre-emption rights in favor of the existing holders of the Bank's common shares.

(b) The holders of preemption rights in the SCI will be entitled to acquire the New Shares at a ratio of 677.4209451157461 New Shares for each old common share of the Bank held.

(c) In the event that the SCI is not fully covered, there is the possibility of partial coverage in accordance with article 28 of Law 4548/2018, as applicable (partial coverage possibility).

(d) The setting of the offer price of the New Shares at €1.87 per New Share (the "**Offer Price**"). The Offer Price may be higher than the market price at the cut-off date of the preemption rights. The total difference between the nominal value of the New Shares and the Offer Price, i.e. a total of €654,234,235.20 (in case of full coverage of the SCI), to be credited at the Bank's equity account "Share Premium".

(e) No fractions of the New Shares shall be issued. The New Shares resulting from the Increase shall be entitled to a dividend from the profits of the current financial year (01.01.2024-31.12.2024) and thereafter, in accordance with the applicable legislation and the Bank's Articles of Association, provided that the Annual General Meeting of the Bank decides on the distribution of dividends for the said financial year and, in addition, provided that the New Shares have been credited to the securities accounts of the beneficiaries identified through the Dematerialised Securities System (the "**D.S.S.**")

managed by the Hellenic Central Securities Depository S.A. (the "ATHEXCSD") on the cut-off date of the right to a dividend. It is noted that based on the Bank's current planning, no dividend distribution is contemplated for the fiscal year 2024.

(f) The setting of a deadline for the payment of the SCI, which shall not exceed four (4) months from the registration of the resolution of the General Meeting on the SCI to the G.E.M.I., according to article 20 par.2 of Law 4548/2018, as in particular this deadline will be determined by the Board of Directors in accordance with the following.

(g) The setting of a fourteen (14) day deadline for the exercise of the preemption rights of existing shareholders, pursuant to article 26 par. 2 of Law 4548/2018. The cut-off date of the ex-rights, the record date and the start and end date of the trading and exercise period of the preemption rights will be determined by the Board of Directors in accordance with the Athens Exchange Regulation, depending on the time required for the approval of the Prospectus by the Hellenic Capital Market Commission and will be announced by the Bank. The following will have preemption rights on the SCI:

- (i) all shareholders of the Bank who will be registered as shareholders on the record date, provided they retain such rights at the time of exercise; and
- (ii) those who acquire preemption rights during their trading period on the Athens Stock Exchange.

(h) In the event that after the timely exercise or redemption of the preemption rights, there are unsubscribed New Shares, these shall be allocated at the Offer Price at the discretion of the Board of Directors, in accordance with article 26 par. 4 of Law 4548/2018, taking into account the provisions of Law 5127/2024 by which the Shareholders' Agreement was ratified. The investors to whom any unallocated New Shares will be allocated will be informed by the Bank and will be required to deposit within the deadline set by the Board of Directors' decision the amount corresponding to the New Shares allocated to them.

A total of €672,207,703.20 will be raised through the SCI, if fully covered.

B. Use of the funds to be raised from the SCI - Investment plan of the Bank, timetable for its implementation and a detailed analysis of the allocation of the funds

In the event the SCI is fully covered, the total funds raised, after deducting the estimated issue costs of approximately €10.4 million, are estimated to amount to approximately €661.8 million. The Bank will use the total net proceeds raised to strengthen its capital adequacy ratios.

At the same time, an amount of €100,200,000, plus accrued interest until the repayment date, will be used for the early repayment of 1,002 subordinated bonds of €100,000 nominal value each, which were issued on 20.12.2018 by the Bank, pursuant to paragraph 1a of article 1 of Law 3723/2008 (the "Tier II Bond"), and have been assumed by the Greek State (the "Early Repayment"). It is noted that according to the contractual terms of the aforementioned bond loan, the Early Repayment will be made at par, i.e. at the amount of its nominal value, plus accrued interest. The Early Repayment will be subject to the receipt of all necessary approvals from the relevant regulatory authorities and compliance with the terms of the Tier II Bond.

The total net proceeds raised will be available for Early Repayment, even in the event of partial coverage of the SCI.

Regarding the allocation of the funds raised, it is stated that the Early Repayment will be made within one (1) month from the date of the certification of the SCI by the Certified Auditor-Accountant, while

the use of the remaining amount intended for the capital strengthening of the Bank is expected to take place immediately.

Until they are made available, the proceeds raised will be placed in readily liquid low-risk investments.

C. Information regarding the use of the funds raised from the share capital increases of the previous 3 years

Share capital increase pursuant to the resolution of the General Meeting of 30.12.2022

The previous increase of the Bank's share capital through cash payment with preemption rights took place in accordance with the resolution of the Extraordinary General Meeting of the Bank's shareholders of 30.12.2022. The funds raised under the aforementioned increase amount to €473,346,868.50. For the public offering and the listing on the Athens Stock Exchange of the shares issued in the context of the above mentioned share capital increase, the Board of Directors of the HCMC approved a Prospectus dated 16.03.2023 and a supplement thereto dated 20.04.2023.

From the above share capital increase, 35.062.731 new common registered shares were issued and admitted to trading on the Main Market of the Athens Stock Exchange on 28.04.2023. The certification of the payment of the amount of the share capital increase by the Board of Directors of the Bank took place on 25.04.2023.

The purpose of the share capital increase was to cover the regulatory capital requirements.

The proceeds of the share capital increase, as disclosed in the Prospectus, are as follows:

TABLE OF THE ALLOCATION OF PROCEEDS RAISED FROM THE SHARE CAPITAL INCREASE			
			(Amounts in €)
Description of the use of the funds raised	Total capital raised	Funds utilised until 30.06.2023	Balance of capital as at 30.06.2023 to be allocated
Capital strengthening of the Bank	473,346,868.50	473,346,868.50	-
Costs of issuing new shares	(6,531,816.35)	(6,531,816.35)	-
Total	466,815,052.15	466,815,052.15	-

Share capital increase pursuant to the resolution of the Board of Directors dated 05.11.2021

The Bank's share capital was increased by cash payment with preemption rights and new shares were issued and offered in accordance with the resolution of the Board of Directors dated 05.11.2021. The proceeds raised in the context of the aforementioned increase amount to €240,000,000.00. For the public offering and the listing on the Athens Stock Exchange of the shares issued in the context of the above mentioned share capital increase, the Board of Directors of the HCMC approved a Prospectus dated 18.11.2021 and a supplement thereto dated 15.12.2021.

From the above share capital increase, 1,200,000,000 new common registered shares were issued, which were admitted to trading on the Main Market of the Athens Stock Exchange on 23.12.2021. The certification of the payment of the amount of the share capital increase by the Board of Directors of the Bank took place on 21.12.2021.

The purpose of the share capital increase was to cover the Bank's regulatory capital needs and the necessary capital adequacy ratios, as well as to implement its business plan, which foresees the doubling of the loan portfolio.

The proceeds of the share capital increase, as disclosed in the Prospectus, are as follows:

TABLE OF THE ALLOCATION OF PROCEEDS RAISED FROM THE SHARE CAPITAL INCREASE			
			(Amounts in €)
Description of the use of the funds raised	Total capital raised	Funds utilized until 31.12.2021	Balance of capital as at 31.12.2021 to be allocated
Capital strengthening of the Bank	240,000,000.00	240,000,000.00	-
Costs of issuing new shares	(13,927,160.26)	(13,927,160.26)	-
Total	226,072,839.74	226,072,839.74	-

D. Announcements of the Company's major shareholders

Under the Shareholders' Agreement, the Hellenic Financial Stability Fund ("**HFSF**") and Thrivest Holding Ltd ("**Thrivest**") have committed to provide capital to the Bank following the completion of the Merger, by contributing up to €675.1 million to the Bank, of which a maximum of €475.1 million will be contributed by the HFSF and up to €200 million will be contributed by Thrivest. Under the terms and conditions of the Shareholders' Agreement, the following major shareholders of the Bank have committed to the following:

1. The HFSF as the Bank's main shareholder, directly holding 36,279,370 common registered shares with voting rights, i.e. 68.40% of the Bank's share capital and voting rights, has committed to the Bank to invest in the SCI €448,3 million in cash for the acquisition of a total of 239,8 million New Shares and €11,0 million in cash for the acquisition of a total of 5.9 million unsubscribed shares, which will correspond to a part of the *pro rata* participation of TMEDE in the SCI not subscribed by TMEDE, as specifically mentioned in article 1 of Law 5127/2024, which ratified the Shareholders' Agreement. It is also noted that pursuant to the same resolution of the Extraordinary General Meeting of the Bank's shareholders that will decide on the SCI, the issuance of warrants will also be decided, in accordance with the provisions of article 1 of Law 5127/2024 and the HFSF has committed to invest a total of €15.8 million in cash for the exercise of 90.5 million warrants which lead to the acquisition of 316.6 million new shares of the Bank.
2. Thrivest as a major shareholder of the Bank, directly holding 4,623,577 ordinary registered shares with voting rights, i.e. 8.70% of the Bank's share capital and voting rights, has committed to the Bank to invest in the SCI €120 million in cash as follows: (i) €58.6 million to acquire 31.3 million New Shares corresponding to its *pro rata* participation in the SCI; (ii) €3.5 million to acquire 1.8 million New Shares which have not been subscribed by TMEDE; (iii) €11,2 million to acquire 6.0 million New Shares which have not been subscribed by the HFSF, and (iv) €7.6 million to acquire 4.1 million New Shares that have not been subscribed by other shareholders of the Bank, as more specifically referred to in article 1 of Law 5127/2024. It is also noted that Thrivest has committed to invest €39.2 million to exercise (x) 43.2 million warrants in order to receive 151.2 million new

shares subscribed by Thrivest in accordance with the above, and (y) 180.8 million warrants to be acquired by Thrivest from the HFSF pursuant to clause 4.4 of the Shareholders' Agreement in order to receive 632.8 million new shares of the Bank. Finally, Thrivest has committed to invest up to €80 million in cash, of which (i) €73.2 million to acquire up to 39.1 million further unsubscribed shares, and (ii) €6.8 million to exercise up to 39.1 million warrants to receive up to 136.9 million new shares in the Bank, corresponding to any remaining unsubscribed shares that Thrivest may have acquired pursuant to the specific provisions of article 1 of Law 5127/2024.

The above commitments of the HFSF and Thrivest in relation to the allocation of the unsubscribed New Shares are subject to the condition that the Board of Directors of the Bank will offer in priority first to HFSF any unsubscribed New Shares that correspond to part of the pro rata participation of TMEDE in the SCI, for which TMEDE has not subscribed for (TMEDE Unsubscribed Shares) and subsequently to Thrivest all the Initial Unsubscribed Shares and the Remaining Unsubscribed Shares, as per term 4.2 of the Shareholders' Agreement.

In addition, pursuant to the Shareholders' Agreement, Thrivest and the HFSF have agreed that the aggregate amount to be paid by Thrivest to subscribe for the New Shares and the acquisition and exercise of warrants will not exceed €200,000,000, however, Thrivest shall have the election, exercisable at its discretion, to invest any additional amount to acquire additional unsubscribed New Shares.

The obligation of each of HFSF and Thrivest to pay for the New Shares they undertake to subscribe for is subject to the Bank having notified each of them in writing by the last day of the SCI subscription period that it has received: (a) from the HFSF and Thrivest, irrevocable applications for subscriptions covering the total of the New Shares corresponding to the relevant party's participation in the SCI, in accordance with their undertakings as described above; (b) from the TMEDE, its irrevocable application to subscribe for New Shares in the SCI at an amount equal to €11 million and for the exercise of warrants at an amount equal to €1 million; and (c) from the e-EFKA, its irrevocable application to subscribe for New Shares in the SCI at an amount equal to €47.9 million.

In the event that TMEDE fails to subscribe and/or pay €11 million to acquire New Shares and €1 million to exercise warrants, the HFSF shall, to the maximum extent it is permitted to do so, subscribe and pay for such New Shares and unexercised warrants corresponding thereto. This is without prejudice to the HFSF's obligation to ensure that Thrivest will achieve, and Thrivest's entitlement to acquire, at least 50% plus one (1) share of the total share capital of the Bank in accordance with the terms and conditions of the Shareholders Agreement.

In addition, it is noted that in July 2024, the Bank received:

(a) a letter from the HFSF, dated 24 July 2024, in which the HFSF, *inter alia*, (i) informed the Bank that, pursuant to the Shareholders' Agreement, the HFSF and Thrivest have committed to capitalise the Bank, following the Merger, by contributing to the SCI up to €675,1 million, of which a maximum of €475.1 million will be contributed by the HFSF and up to €200 million will be contributed by Thrivest, and committed to exercise their respective voting rights in the Bank in favour of the SCI,

(b) a letter from Thrivest, dated 25 July 2024, in which Thrivest, among other things, informed the Bank of the joint commitment with the HFSF, as referred to above and, in addition, that Thrivest has committed to contribute (i) €120 million to cover its pro-rata participation (post-completion of the Merger) in the SCI, the acquisition of a number of unsubscribed shares that will not be subscribed by TMEDE, the HFSF and other shareholders of the Bank and the exercise of the warrants attributable to it, including the transfer of any warrants that the HFSF will transfer to Thrivest under the terms of the

Shareholders' Agreement, and (ii) up to €80 million to subscribe for any additional unsubscribed shares and the exercise of warrants attributable to them.

It is noted that both letters state that the above commitments are subject to the receipt of the required corporate and regulatory approvals and the implicit condition of compliance with the terms of the Shareholders' Agreement.

Finally, as provided in the Shareholders' Agreement, during the period starting from the later of the date on which (i) the SCI completes, and (ii) the Bank's shares are issued and delivered to the HFSF and Thrivest as a result of the exercise warrant and ending twelve (12) months from such later date, neither party nor any person acting on its behalf, without the written consent of the other party, (x) directly or indirectly, offer, sell, contract to sell or grant any option or contract to sell, or lend or otherwise transfer any shares of the Bank, or (y) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any shares of the Bank, to the extent that any such transaction described in (x) or (y) above is to be settled by delivery of shares of the Bank. It is noted that the above condition does not apply to any disposal of shares in the Bank by the HFSF in accordance with its disinvestment strategy applicable to the Bank, provided that Thrivest shall have been invited to participate in any process that the HFSF may initiate to implement such disinvestment strategy along with any other investors.

E. Increase Amount - Offer Price of the New Shares

Therefore, according to our proposal, the Bank's share capital will be increased by up to €17,973,468, by issuing up to 359,469,360 new, common, dematerialised, registered shares with voting rights, with a nominal value of €0.05 each, through cash payment, and with pre-emption rights for the existing shareholders of the Bank. The holders of preemption rights in favor of the existing shareholders of the Bank. The holders of preemption rights in the SCI will be entitled to acquire New Shares at a ratio of 677,420,945,115,746,1 New Shares for each old share of the Bank. The offer price of the New Shares will be set at €1.87 per New Share and may be higher than the market price at the cut-off date of the preemption rights. In the event that the SCI is not fully covered, there will be a possibility of partial coverage in accordance with article 28 of Law 4548/2018, as applicable (partial coverage possibility).

Athens, 04.09.2024

The Board of Directors