



PANCRETA FACTORS SINGLE MEMBER S.A.

Financial Statements for the Year 2024

**In accordance with the International Financial Reporting Standards
(as adopted by the EU)**

Athens, June 2025

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Statements by the members of the Board of Directors

As members of the Board of Directors of the company "PANCRETA FACTORS SINGLE MEMBER S.A.", we hereby declare that:

- The attached annual financial statements of the company for the period from January 1st, 2024 as of 31st December 2024, which have been prepared in accordance with the applicable International Financial Reporting Standards, shall fairly reflect the assets and liabilities, net position as at 31 December 2024, results and cash flows for the period from 1st January 2024 to 31st December 2024.
- The attached annual report of the Board of Directors depicts in a true manner the information required by article 150 of Law 4548/2018.
- The attached Annual Financial Statements and the Annual Report of the Board of Directors are those approved by the Company's Board of Directors during the meeting of June 16, 2025.

Athens, 16th June 2025

The Chairman of the Board of Directors

The Chief Executive Officer

Theodoros Karakasis

ID No: AB 328079

Michael Michaelides

Passport No: K00370602

Report of the Board of Directors

of PANCRETA FACTORS SINGLE MEMBER S.A.

for the financial period from 01st January 2024 to 31st December 2024

The following Board of Directors Report (hereinafter referred to as "the Report") has been prepared in a manner in accordance with the relevant provisions of the applicable legislation and the Articles of Association and contains in a concise, but substantial and comprehensive manner all the relevant information required by law, in order to extract a substantial and in-depth information on the activity, during its third (4th) corporate year ending on 31 December 2024.

The year 2024 was the 4th year of operation of the Company and the 1st year of its activity as a Financial Institution specialized in Factoring services, following the granting of the relevant operating license by Bank of Greece, in accordance with the provisions of the Executive Committee Act (PEE) 193/1/27.09.2021 and article 4 of Law 1905/1990. The company's operating license was granted by the Credit and Insurance Committee of the Bank of Greece during its meeting on 20th November 2023 and was published in page 6712 of the 2nd issue of the Government Gazette on 30th November 2023. By decision of the Extraordinary General Assembly of the company's shareholders, which was convened on December 7th, 2023, the amendment of its Articles of Association was approved, where, among other things, the name and purpose of the company were modified, transforming the Company into an exclusive purpose company. The relevant decision of the Company's Extraordinary General Assembly was registered in the General Commercial Register on December 13, 2023, with a Registration Number 3938633 in parallel with the registration of the decision to grant a factoring operating license which was registered in the General Commercial Register on the same day with a Registration Number 3938357. The inauguration of the company's activities took place on January 12, 2024.

On September 4, 2024, the merge of Pancreta Bank S.A. with Attica Bank S.A. was completed, with the absorption of the former by the latter and the transfer of all assets and liabilities of Pancreta Bank to Attica Bank. Consequently, Attica Bank was substituted as the ultimate successor to the entire property of Pancreta Bank, becoming the sole shareholder of the company holding all its shares.

Overview of the Greek Economy

In 2024, the Greek economy maintained its positive outlook, despite the international challenges and geopolitical tensions. The annual growth rate stood at 2,3%, significantly above the Eurozone average (0,6%) and confirming the momentum of domestic economic activity. As a result of a series of upgrades to the Greek State's creditworthiness in the second half of 2023, its long-term credit securities were classified in investment grade according to four of the five external credit rating agencies accepted by the ECB [DBRS: BBB (low), positive outlook, Fitch: BBB-, stable outlook, Scope: BBB, stable outlook, S&P: BBB-, positive outlook and one notch below the investment rating from the fifth house, Moody's: B1 with a positive outlook], on December 31, 2024.

Growth was mainly supported by private consumption and capital investment, while total investment was significantly boosted by an increase in inventories. On the contrary, public consumption declined. External demand negatively affected the balance of goods and services, with an increase in imports and a decrease in exports of goods, although a high degree of extroversion was maintained.

Productivity was strengthened mainly in industrial and construction sectors, and the tourism and trade sectors. Inflation fell to 3,0%, due to a decline in energy prices, but remained higher than the Eurozone average.

Unemployment decreased further to 10,1%, continuing the positive trend of recent years, despite structural challenges in the labour market. At the same time, the fiscal picture showed a notable improvement, with the primary surplus standing at 5,0% of GDP and the total surplus at 1,8%.

Public debt fell to 154,0% of GDP, benefiting from fiscal discipline, the reinstatement of investment grade and improved market confidence, with government bond yields de-escalating significantly.

Global Factoring Market Overview

The global Factoring market rose by 2,7% based on official data published by the Global Representative Body for Factoring (FCI) and amounted to €3.890 billion.

Europe maintained its position as the leading factoring market, holding around 68% of the global market with €2.600 billion in receivables management, increased by 1,8% compared to 2023. Asia also recorded an increase of 2,4% in its figures for 2024 and represents around 25% of the global market.

Greek Factoring Market Overview

According to data from the Hellenic Association of Factoring Companies, the upward trend of Factoring turnover in the Greek market continued in 2024. Factoring turnover reached a new all-time high for the sector of €27,1 billion from €24,7 billion, increased by 9,6% compared to 2023, where it was also a year of strong growth after the mild contraction due to the pandemic crisis of 2020-2021 and the war in Ukraine.

The largest increase of 10,2% of the total turnover, was recorded by domestic transactions, which still have the largest share (87,5%) of total turnover. A milder increase of 5,5% was recorded in cross-border transactions, with export factoring transactions accounting for 98,1%.

Factoring without recourse, which refers to the assumption of the non-payment risk of the buyer by the Factor, showed a marginal decrease compared to Factoring with recourse, but remained at high levels of 42,2% from 44,0% of total turnover, indicating the increasing credit insurance awareness of companies that wish to protect themselves against the risks of their account receivables collection.

Of the total turnover, 4,1% relates to receivables assigned through Reverse Factoring and 17,1% to undisclosed receivable assignments.

It is worth mentioning that the penetration of factoring into Greece's GDP, has exceeded the European average and reached 13,4% for 2024 compared 12,7% in 2023, indicating the dynamics and growth prospects of the sector and Greece's official ranking in mature markets.

Activity Overview

Confirming the management's forecasts for the achievement of the year's targets, the company showed positive results in its first year of operation, along with prudent credit risk management.

The assigned receivables managed by the company in 2024 amounted to €384,7 million with outstanding receivables at the end of the year amounting to €159,4 million, an indication of the positive acceptance of the company by the market from its first year of operation.

Gross revenues amounted to €5,9 million, consisted of €1,2 million of commissions and other fees and €4,7 million of interests. For the discounting of receivables, in addition to own funds, the company utilize funds from long-term bond loans and short-term working capital facilities, received by the parent bank, the interest of which amounted to €3,4 million, an amount corresponding to 71,5% of the interest revenues. Accordingly, the company paid the amount of €0,1 million in commissions, most of which relate to the credit insurance policy fees used for the insurance coverage of assigned receivables without recourse.

Net income from the company's activity amounted to €2,5 million thus forming the gross profit margin at 41,3%, demonstrating the solid basis on which future growth is built, while confirming the right strategic direction and the sustainability of the business model.

The company's operating expenses for 2024 amounted to €0,8 million, 75,2% of which is related to staff expenses and 21,2% to other operating expenses. The results before provisions, depreciation, amortization and taxes amounted to €1,7 million, which corresponds to 28,2% of total revenues. The Cost to Net Income ratio stood at 32,9% capturing the effective cost management and efficiency of the operating model during the first year of operation.

In fiscal year 2024, impairment provisions were made in accordance with IFRS 9, amounting to €0,4 million, the amount of which reflects the prudent management of credit risk and the quality of the company's portfolio of receivables. The formation of the relevant provision is considered adequate, taking into account the quality of the portfolio and the continuous monitoring of assigned receivables. Net profit after tax amounted to €974,4 thousand, leading to a return on equity (ROE) of 14,3%.

In 2024 and in order to further strengthen its activity, the Company completed two bond loan issuances for a total amount of €128 million with the sole bondholder being the former Pancreta Bank. In the context of the absorption of the former Pancreta Bank by Attica Bank, the latter was automatically designated as the bondholder of the above issues.

In 2024, the company joined as an Associate Member the network of FCI, the Global Representative Body for Factoring through which it provides all International Factoring products, as well as joined the Hellenic Factoring Association where, in collaboration with the other members, it contributes to the further development of the institution in Greece and is represented by the Association on issues of common interest.

The year 2024 was a milestone year for Pancreta Factors, which started its activity as a Factoring Company and a Financial Institution. The company recorded a strong start, with significant prospects for development and penetration of the product in the Greek market, acting in addition to the other financial tools offered by Attica Bank, which as of September 4, 2024 is now the sole shareholder of the company, strengthening its strategic integration into the Group.

In the context of the licensing of the Company and the commencement of its activities on 12.01.2024, the existing factoring customers of the former Pancreta Bank were transferred to the Company. Then, during the process of the operating merge of the former Pancreta Bank with Attica Bank, the factoring customers of Attica Bank were transferred to the Company by the end of 2024.

Due to the limited activity presented by the Company in 2023, it was not considered appropriate to provide further comparative analysis in relation to the previous year. The following is a summary of the financial position (Balance Sheet) and the results for the year 2024.

Statement of Financial Position - Balance Sheet

Amounts in €	31.12.2024	31.12.2023
ASSETS		
Cash and cash equivalents	79.772	5.616.411
Advances to customers	159.402.621	-
Less: Provisions for bad debts	(398.815)	-
Property and equipment	18.421	15.235
Intangible assets	93.738	88.624
Rights of use	4.209	16.271
Deferred tax asset	-	51.281
Other assets	14.704	90.831
Total Assets	159.214.649	5.878.652
LIABILITIES		
Liabilities		
Liabilities due to credit institutions	23.072.200	-
Debt Securities in Issue	128.000.000	-
Liabilities due to customers	212.065	-
Leasing liabilities	6.558	18.093
Current income tax liabilities	146.865	-
Deferred tax liabilities	76.714	-
Other liabilities	901.429	36.103
Total Liabilities	152.415.832	54.196
Equity		
Share capital	6.000.000	6.000.000
Retained earnings	798.817	(175.544)
Total Equity	6.798.817	5.824.456
Total Liabilities and Equity	159.214.649	5.878.652

Statement of Comprehensive Income

Amounts in €	31.12.2024	31.12.2023
Interest and related income	4.721.567	-
Interest and related expenses	(3.368.750)	-
Net Interest Income	1.352.817	-
Commission and fee income	1.217.374	-
Commission expenses	(118.064)	-
Net Commission and Fee Income	1.099.311	-
Total Net Income	2.452.128	-
Staff costs and expenses	(606.260)	(34.375)
General, administrative and other operating expenses	(171.018)	(101.999)
Depreciation	(28.913)	(24.039)
Total expenses	(806.191)	(160.413)
Bad debt provisions	(398.815)	-
Operating Profit	1.247.121	(160.413)
Interest and related expenses	(1.289)	(980)
Interest and related income	3.389	90.317
Profit Before Tax	1.249.221	(71.077)
Income tax	(274.861)	16.195
Profit After Tax	974.361	(54.882)

Prospects

The prospects for the year 2025 and the medium-term look positive for the industry, a fact that is mainly attributed to the positive indications presented by the Greek economy. The country's economy seems to have entered a growth period, boosted by the growing investment activity and the accompanying optimism created by the recovery of investment grade after more than a decade.

However, there are some factors that may have a slowing effect. These include signs of a mild global recession, which may intensify due to the aggressive trade policy of the United States and its insistence on tariffs on imported products. Expected reactions from affected countries, such as short-term product stockpiling and the suspension of long-term investments, are additional factors of uncertainty.

The positive outlook is also reflected in the company's performance, where in the first 5 months of 2025 the assigned receivables assigned to the company amounted to €200,2 million with total gross revenues from interests, commission and other fees amounting to €3,9 million.

At the European level, there are signs of weakness in the factoring sector, a development that may be a precursor of a similar course for the Greek market, which has so far recorded an almost uninterrupted growth course. In addition, fierce competition continues to put pressure on trading margins, both at the level of interest rates (spread) and at the level of commissions, despite the gradual de-escalation of the key interest rate (Euribor), which maintains the pressure on the profitability of companies in the sector.

The Company, recognizing the above-mentioned challenges, is oriented towards the dynamic development of its activities, the strengthening of internal control mechanisms and the adoption of advanced technological solutions. Its main strategy remains to penetrate the underserved sector of small and medium-sized enterprises, with the aim of strengthening its presence and expanding its clientele in this segment of the market.

Main risks - Risk management

With regard to exposure to key financial risks, the usual financial and other risks to which the Company is exposed and which risks it may face during the current financial year are summarized below:

Capital risk:

The supervisory framework concerning factoring companies is specified by the Acts of the Governor of the Bank of Greece dated 27.09.2021 as follows:

- Directive No. 193/1: Terms and conditions for the granting of a licence for the establishment and operation of companies: a) a financial lease, b) the provision of credits and c) a factoring company - Special holdings - Abolition of the no. 2622/21.12.2009 of the Act of the Governor "Conditions for the granting of a license for the establishment and operation and supervision rules of a) leasing companies, b) credit companies and c) factoring companies" (B' 3/2010) and other Acts of the Governor of the Bank of Greece.
- Directive No. 193/2: Rules for the prudential supervision of leasing companies, provision of credit, factoring companies and microfinance institutions of Law 4701/2020.

In particular, the Directive 193/2 states that "The amount of the supervisory capital of the institutions hereby shall not be less than the minimum initial capital provided, as the case may be, throughout their operation".

The Company is fully compliant with the above decisions, and the amount of the supervisory own of its capital far exceeds the required capitals on the basis of the above decisions.

Credit risk:

The Company's Management ensures that the provision of services takes place to customers who have buyers of high creditworthiness. The Management constantly develops internal risk management mechanisms, exercising effective control over the creditworthiness and reliability of their customers and buyers, in order to eliminate this risk. At the same time, a large part of the credit risk is covered through credit insurance policies. Therefore, this risk, although existing in view of the general negative economic climate, is considered as controlled.

The maximum exposure to the Company's credit risk is the advances to customers related to the discounting of their accounts receivable. The Company does not maintain off-balance sheet exposures.

The following tables analyse the advances to customers at depreciated cost, in accordance with IFRS 9, per stage, as at 31 December 2024 and 31 December 2023, respectively.

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	157.058	0
<i>Small Business</i>	10.634	0
<i>SME and Large-sized Enterprises</i>	146.424	0
Expected Credit Losses (ECL)	301	0
<i>Small Business</i>	9	0
<i>SME and Large-sized Enterprises</i>	292	0
Net amount after impairment (Stage 1)	156.757	0

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	2.233	0
<i>Small Business</i>	332	0
<i>SME and Large-sized Enterprises</i>	1.901	0
Expected Credit Losses (ECL)	19	0
<i>Small Business</i>	3	0
<i>SME and Large-sized Enterprises</i>	16	0
Net amount after impairment (Stage 2)	2.214	0

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	112	0
<i>Small Business</i>	112	0
<i>SME and Large-sized Enterprises</i>	0	0
Expected Credit Losses (ECL)	79	0
<i>Small Business</i>	79	0
<i>SME and Large-sized Enterprises</i>	0	0
Net amount after impairment (Stage 3)	33	0

Foreign exchange risk:

The Company grants advances to its clients against the assigned receivables, in the invoicing currency of the transactions. However, the risk assumed by the Company is limited, due to its policy of receiving the necessary liquidity from working capital facilities, in a currency equivalent to the advances granted to its customers.

Interest rate risk:

The Company is exposed to interest rate risk from the effect of fluctuations on the applicable market interest rates. As a result of such changes, interest rate spreads can increase or even decrease and create a decrease in expected profits. The Company's policy is to establish fixed interest rate spreads with its customers, for each currency, based on interest rates of a certain period of time formed by the market (monthly euribor), covering its liquidity with a corresponding loan agreement with the parent bank. In some cases where the interest rate is stable, the market trend is monitored and adjusted accordingly at regular intervals.

Sensitivity to interest rate risk

In order to mitigate the interest rate risk, the Company covers the advances to its customers with loan facilities so that the interest rate margin remains stable. There were no financial derivatives in the use during the year in review.

Price Risk:

The Company is not exposed to price risk, since it does not own any securities measured at fair value through Equity nor any financial items measured at fair value through results.

Liquidity risk:

The Company is exposed to daily liquidity risks from the management of its clients' receivables portfolio. The analysis of cash flows from the clients' portfolio is indicative and not absolute because it is determined on the basis of the commercial agreements of suppliers (clients) to debtors (buyers), but it is able to determine the Company's liquidity needs for adequate planning and optimization of its loan needs. The company draws liquidity from the issuance of bond loans, on the basis of which most of its cash flows are covered. The remaining amount of liquidity required is covered by short-term borrowing in the currency of the required cash flows, in order to be able to manage cash flows with the best possible return.

The table below presents the Company's financial obligations based on its contractual obligations as of 31.12.2024 and 31.12.2023 on a non-discounted basis.

December 31st, 2024	1 - 3 Months	3 - 6 months	6 months - 1 year	2- 5 Years	over 5 years old	Total 31st December 2024
Liabilities due to credit institutions					23.072.200	23.072.200
Debt Securities in issue					128.000.000	128.000.000
Liabilities due to Customers	212.065					212.065
Leasing liabilities			6.558			6.558
Income tax liabilities			146.865			146.865
Other liabilities	901.429					901.429
Total	1.113.494	-	153.423	-	151.072.200	152.339.118

31 December 2023	1 - 3 Months	3 - 6 months	6 months - 1 year	2- 5 Years	over 5 years old	Total 31st December 2023
Leasing liabilities			11.535	6.558		18.093
Other liabilities	36.103					36.103
Total	36.103	-	11.535	6.558	-	54.196

Risk management is carried out by the Company's management, based on the support of specific divisions of the parent Bank.

This section shall be read in parallel with note 4 "Risk Management" of the financial statements.

Personnel

For the first year of operation, the company proceeded to the targeted recruitment of specialized personnel, forming a total of 13 employees at the end of the year. The majority of the people hold postgraduate degrees, while special emphasis is given on continuous training and skills development through educational programs.

At the same time, the company emphasizes on the development of a working environment that promotes transparency, fair treatment and respect for all employees. In this context, it implements all of the parent bank's human resources policies, which cover critical areas such as the prevention and management of incidents of violence and harassment, equal opportunities policy, complaint procedures, leave and remuneration, benefits and performance evaluation and development programmes. This institutional framework ensures consistent and reliable management of employees, enhancing organizational cohesion and long-term commitment of human resources.

The company's human resources continue to raise the threshold of its goals, remaining committed to creating value for Attica Bank Group, while providing specialized financing solutions to both the company's and the parent Bank's customers, aiming to even more positive results for the fiscal year 2025.

Environmental issues

The Company, as a member of the Attica Bank Group, recognizes the environmental impact of its activities and seeks and sets specific goals and objectives for the optimal use of natural resources, minimization of waste production, environmental protection, climate change mitigation as well as the protection of biodiversity and ecosystems. In addition, the Company encourages its customers and suppliers, employees as well as the wider society, towards the adoption of best environmental practices, in accordance with the guidelines and initiatives of International Organizations and the parent Bank.

Disclosures related to sustainability issues are included in the sustainability report of the parent Bank (Attica Bank).

Other

The Company does not maintain any branches and does not hold own shares. The Company's activities are not related to research and development activities.

Based on Law 5164/2024 and the incorporation of the European Directive (EU) 2022/2464, the definition of Public Interest Entities was expanded (amendment of paragraph 12 of article 2 of Law 4449/2017) to include the entities of c. I) Article 2 of Law 4548/2018. Specifically, Article 4(26) of Regulation 575/2013 and Annex I of Directive (EU) 2013/36 also includes factoring companies.

The revised provisions enter into force for financial years starting on 1 January 2024 and beyond. The company is in constant communication with the competent and supervisory bodies, in order to take the necessary actions to meet the new regulatory and operational requirements.

Significant events occurred from the end of the financial year until the submission of this report

On December 10, 2024, Law 5164/2024 of the Ministry of Development was voted in Parliament, which incorporates the European CSRD Directive (EU) 2022/2464 into Greek law. According to Article 3 of that law, the concept of a public-interest entity includes for the first time all factoring companies. Based on the circular directive 17603 - 27-02-2025 of the Ministry of Development, which was issued on 27.02.2025, it is clarified that specifically for entities that were characterized "as of public interest" for the first time following the amendment of c. I' of Article 2 of Law 4548/2018 With Article 3 of Law 5164/2024, the obligation to establish an Audit Committee, to prepare and publish sustainability reports and any other obligation arising from their inclusion in the category of public interest entities, do not relate to the financial year 2024.

The Board of Directors was constituted as a body at its meetings of 01.04.2025 and 02.05.2025 on the basis of which the resignation of the former Independent Non-Executive Member Mr. Iordanis Hatzikonstantinou, the election of the new Independent Non-Executive Member Mr. Theodoros Karakasis, the appointment of the latter as Chairman of the Board of Directors and the appointment of Mr. Georgios Kourletakis as Vice Chairman were accepted. Also, during the meeting of the Board of Directors on 16.06.2025, the resignation of the Non-Executive Member Mr. Georgios Xifaras was accepted and replaced by Mr. Evaggelos Rizos.

Finally, the Company received approval for the issuance of a new bond loan with a total nominal value of €70,000,000 with the parent company Attica Bank S.A. acting as the bondholder.

There were no other post-financial events that materially affected the financial position or operation of the company.

For the Board of Directors,

Athens, June 16, 2025

The Chairman of the Board of Directors

The Chief Executive Officer

Theodoros Karakasis
ID No: AB 328079

Michael Michaelides
Passport No: K00370602



Independent Auditor's Report

To the Shareholder of the Company "PANCRETA FACTORS SINGLE MEMBER S.A."

(This is a translated version of the official Greek auditor's report)

Audit Report on the Financial Statements

Opinion

We have audited the attached financial statements of PANCRETA FACTORS SINGLE MEMBER S.A. (the Company), which consist of the statement of financial position as of December 31, 2024, the statements of profit and loss, changes in equity and cash flow for the year ended that date, as well as the notes to the financial statements that include material accounting policy information.

In our opinion, the attached financial statements reasonably present, from all material respects, the financial position of PANCRETA FACTORS SINGLE MEMBER S.A. as of December 31, 2024, its financial performance and its cash flows for the period from January 1, 2024 to December 31, 2024 in accordance with International Financial Reporting Standards, as they have been adopted by the European Union.

Basis of opinion

We carried out our audit in accordance with the International Standards on Auditing (ISA's) as they have been incorporated into the Greek Legislation. Our responsibilities under these standards are further described in the section of our report "Auditor's responsibilities for auditing financial statements". We are independent of the Company, throughout the duration of our appointment, in accordance with the Code of Conduct for Professional Auditors of the Council of International Standards of Ethics for Auditors, as incorporated into Greek Legislation and the ethics requirements related to the audit of financial statements in Greece and we have fulfilled our ethical obligations in accordance with the requirements of the applicable legislation and the aforementioned Code of Conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The administration is responsible for the other information. Other information is included in the Management Report of the Board of Directors, referred to in the "Report on Other Legal and Regulatory Requirements", but does not include the financial statements and the audit report on them.

Our opinion on the financial statements does not cover the other information and we do not express any assurance in this opinion.

In relation to our audit of the financial statements, it is our responsibility to read the other information and thereby examine whether the other information is materially inconsistent with the financial statements or the knowledge we acquired during the audit or otherwise appears to be materially incorrect. If, on the basis of the work we have performed, we conclude that there is a material error in this other information, we are obliged to report this fact. We have nothing to say on this matter, (other than what is stated in relation to the Management Board's Report in the "Report on Other Legal and Regulatory Requirements" below, if such matters are mentioned).

Responsibilities of the management on the financial statements

Management is responsible for preparing and presenting financial statements in accordance with IFRS as adopted by the European Union, as well as for those internal controls that management determines to be necessary to enable financial statements to be prepared free from material error, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue its business, disclosing where this is the case, the matters relating to the continuing business and the use of the accounting principle of the continuing business, unless management either intends to liquidate the Company or cease its business or has no other realistic alternative than to take these steps.

Auditor's responsibilities for auditing financial statements

Our objectives are to obtain reasonable assurance that the financial statements, as a whole, are free from material error, whether due to fraud or error, and to issue an auditor's report, which includes our opinion. Reasonable assurance is a high-level assurance, but it is not a guarantee that the audit carried out in accordance with the ISAs, as incorporated into the Greek Legislation, will always detect a material error, when it exists.

Errors may result from fraud or error and are considered material when, individually or cumulatively, they could reasonably be expected to affect users' financial decisions made on the basis of these financial statements.

As an audit duty, in accordance with the International Standards on Auditing as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material error in the financial statements, whether due to fraud or error, by designing and conducting audit procedures that respond to these risks, and we obtain audit presumptions that are sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material error due to fraud is higher than that due to error, as fraud may involve collusion, forgery, willful omissions, false assurances or circumvention of internal controls.
- We understand the internal controls related to the audit, for the purpose of designing audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control mechanisms.
- We assess the appropriateness of the accounting principles and methods used and the reasonableness of the accounting estimates and related disclosures made by management.
- We decide on the appropriateness of the accounting authority's use of the continuing business and on the basis of the audit presumptions obtained as to whether there is material uncertainty regarding events or circumstances that may indicate material uncertainty as to the Company's ability to continue its business. If we conclude that there is material uncertainty, we are obliged in the auditor's report to draw attention to the relevant disclosures of the financial statements or, if such disclosures are insufficient, to make a difference. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or circumstances may result in the Company ceasing to operate as a continuing business.
- We evaluate the overall presentation, structure, and content of the financial statements, including disclosures, as well as whether the financial statements reflect the underlying transactions and events in a manner that is reasonably presented.

Among other issues, we communicate to management the planned scope and timeline of the audit, as well as important audit findings, including any significant deficiencies in the internal controls we identify during our audit.

Report on Other Legal and Regulatory Requirements

Taking into account that the management is responsible for the preparation of the Report of the Board of Directors, pursuant to the provisions of paragraph 5 of article 2 (part B) of Law 4336/2015, we note that:

a) In our opinion, the Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of article 150 of Law 4548/2018 and its content corresponds to the attached financial statements for the year ended 31.12.2024.

b) Based on the knowledge we acquired during our audit, regarding the company PANCRETA FACTORS SINGLE MEMBER S.A. and its environment, we have not identified any material inaccuracies in the Report of its Board of Directors.

Heraklion, Crete, June 16, 2025

The Certified Auditor – Accountant

Emmanouil E. Mentzakis

S.O.E.L. 39351



Grant Thornton

Ορκωτοί Ελεγκτές Σύμβουλοι Επιχειρήσεων
Λ. Κατεχάκη 58, 115 25 Αθήνα
Α.Μ. ΣΟΕΛ 127

Statement of Financial Position - Balance Sheet

Amounts in €	Note	31.12.2024	31.12.2023
ASSETS			
Cash and cash equivalents	5	79.772	5.616.411
Advances to customers	6	159.402.621	-
Less: Provisions for bad debts	6	(398.815)	-
Property and equipment	7	18.421	15.235
Intangible assets	8	93.738	88.624
Rights of use	9	4.209	16.271
Deferred tax assets	10	-	51.281
Other assets	11	14.704	90.831
Total Assets		159.214.649	5.878.652
LIABILITIES			
Liabilities			
Liabilities due to credit institutions	13	23.072.200	-
Debt Securities in Issue	13	128.000.000	-
Liabilities due to customers	13	212.065	-
Leasing liabilities	14	6.558	18.093
Current income tax liabilities		146.865	-
Deferred tax liabilities	10	76.714	-
Other liabilities	15	901.429	36.103
Total Liabilities		152.415.832	54.196
Equity			
Share capital	12	6.000.000	6.000.000
Retained earnings		798.817	(175.544)
Total Equity		6.798.817	5.824.456
Total Liabilities and Equity		159.214.649	5.878.652

Statement of Comprehensive Income

Amounts in €	Note	31.12.2024	31.12.2023
Interest and related income	19	4.721.567	-
Interest and related expenses	19	(3.368.750)	-
Net Interest Income	19	1.352.817	-
Commission and Fee income	20	1.217.374	-
Commission expenses	20	(118.064)	-
Net Commission and Fee Income	20	1.099.311	-
Total Net Income		2.452.128	-
Staff costs and expenses	16	(606.260)	(34.375)
General, administrative and other operating expenses	16	(171.018)	(101.999)
Depreciation	16	(28.913)	(24.039)
Total expenses		(806.191)	(160.413)
Bad debt provisions	21	(398.815)	-
Operating Profit		1.247.121	(160.413)
Interest and related expenses	17	(1.289)	(980)
Interest and related income	17	3.389	90.317
Profit Before Tax		1.249.221	(71.077)
Income tax	18	(274.861)	16.195
Profit After Tax		974.361	(54.882)

Statement of Changes in Equity

Amounts in €	Equity	Neon Results	Total
Balance as at 31 December 2023	6.000.000	(175.544)	5.824.456
Changes in equity for the period ended 31 December 2024			
Reclassifications	-	-	-
Payment of capital due	-	-	-
Net results for the period ended 31 December 2024	-	974.361	974.361
Balance as of December 31, 2024	6.000.000	798.817	6.798.817

Cash Flow Statement

Amounts in €	31.12.2024	31.12.2023
Operational activities		
Profit / (Loss) before tax	1.249.221	(71.077)
Adjustments for:		
Depreciation	28.913	24.039
Debit interest and related costs	3.370.039	980
Credit interest and related income	(3.389)	(90.317)
	4.644.785	(136.375)
Decrease / (Increase) of receivables	(158.927.679)	(27.173)
(Decrease) / Increase in liabilities (except banks)	24.149.591	33.320
Cash inflows/outflows from operating activities	(130.133.303)	(130.228)
Debit interest and related expenses paid	(3.370.039)	(226)
Cash inflows/outflows from operating activities	(133.503.342)	(130.454)
Investment activities		
Purchase of tangible and intangible assets	(25.150)	(28.180)
Interest Received	3.389	72.249
Cash inflows/outflows from investment activities	(21.761)	44.069
Financial activities		
Payment of capital due	-	-
Payments from lease obligations (debt settlements)	(11.535)	(11.920)
Bond Issuance	128.000.000	-
Cash inflows/outflows from financing activities	127.988.465	(11.920)
Net Increase / (Decrease) in Cash and Cash Equivalents for the Period	(5.536.639)	(98.305)
Cash and cash equivalents (opening balance)	5.616.411	5.714.715
Cash and cash equivalents (closing balance)	79.772	5.616.411

The notes on pages 21 to 52 form an integral part of the Financial Statements as of 31 December 2024

Notes to the financial statements

1. General information

The Company was incorporated on April 12, 2021, maintains its registered office at 3 Skoufa Street in the centre of the city of Athens, with registration number 158947701000.

The Company operates as a Financial Institution (Factoring Company), following the granting of the relevant operating license by Bank of Greece, in accordance with the provisions of the Executive Committee Act (PEE) 193/1/27.09.2021 and article 4 of Law 1905/1990. The company's operating license was granted by the Credit and Insurance Committee of the Bank of Greece during its meeting on 20th November 2023 and was published on page 6712 of the 2nd issue of the Government Gazette on 30th November 2023. By decision of the Extraordinary General Assembly of the company's shareholders, which was convened on December 7, 2023, the amendment of its Articles of Association was approved, where, among others, the name and purpose of the company were modified, transforming company exclusively into a Factoring Entity. The relevant decision of the Extraordinary General Assembly of the company was filed in the General Commercial Register on December 13, 2023 with a Registration Number 3938633 in parallel with the registration of the decision to grant an operating license which was registered in the General Commercial Register on the same day with a Registration Number 3938357. The inauguration of the company's activities took place on January 12, 2024.

The Company's shares are 100% owned by Attica Bank S.A. following the merger of Pancreta Bank S.A. with Attica Bank S.A. as of September 4, 2024, with the absorption of the former by the latter, where all the assets and liabilities of Pancreta Bank were transferred to Attica Bank, and which was substituted as ultimate successor to the entire assets of Pancreta Bank.

The existing Board of Directors was elected at the Extraordinary General Assembly of the Company dated 21.10.2024 and was constituted as a body at its meetings of 01.04.2025 and 02.05.2025 where it appointed its executive and non-executive members. During the meeting of the Board of Directors on 16.06.2025, the resignation and replacement of the Non-Executive Member Mr. Georgios Xyfaras was accepted. The current composition of the Board of Directors has as follows, with its term of office, valid until 20.10.2028.

- Theodoros Karakasis, Chairman, Independent Non-Executive Member
- Georgios Kourletakis, Vice-Chairman, Non-Executive Member
- Michael Michaelides, Chief Executive Officer, Executive Member
- Konstantinos Christodoulou, Executive Member
- Georgios Kouroumalos, Non-Executive Member
- Seraphim Chrysikos, Non-Executive Member
- Evaggelos Rizos, Non-Executive Member

2. Basis for the preparation of the annual Financial Statements

2.1 General

The Company issues its official Financial Statements in accordance with IFRS, due to a mandatory transition to this accounting framework as of 01.01.2015, based on the provisions of article 1, paragraph 3c, of Law 4308/2014 "Greek Accounting Standards, related regulations and other provisions".

The Company's Financial Statements as of 31.12.2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, as adopted by the European Union, at the time of preparation of these financial statements, while there are no Standards that have been applied prior to the date of commencement of their implementation. Any differences between the amounts in the financial statements and the corresponding amounts in the notes to the financial statements are due to rounding.

The preparation of the Financial Statements, in accordance with generally accepted accounting principles, requires the use of estimates and assumptions affecting the balances of the Assets and Liabilities accounts and the disclosure of contingent assets and liabilities at the date of their preparation, as well as the expenses incurred during the financial years under consideration. Although these estimates are based on management's best knowledge, actual results may ultimately differ from those estimates.

2.2 Principle of Going Concern

The Company, as a 100% subsidiary of Attica Bank S.A., maintains significant synergies with the parent Bank which are mainly developed a) at the level of raising capital for the discounting of assigned receivables, b) at operational level for the attraction of clients and assessment of customer credit risk and c) at the level of critical functions. Therefore, the risks and uncertainties faced by the Company relate to Attica Bank's ability to continue its activity unhindered.

The Company's Management constantly monitors developments and their possible impacts, in order to ensure their minimization in the Company's activities. The Board of Directors of the Company, recognizing the geopolitical and macroeconomic risks to the economy and taking into account the above factors, the capital adequacy and liquidity position of the Company and the Group, as well as the intentions of Attica Bank to continue to provide the necessary capital to the Company, considered that the Company's financial statements can be prepared on the basis of the principle of going concern.

2.3 New accounting standards and interpretations of the IFRS Interpretation Committee

The Company has adopted all the new standards and interpretations, the implementation of which became mandatory for the uses that began on January 1, 2024. Paragraph 2.3.1 presents the standards adopted as of 1 January 2024. Section 2.3.2 presents the standards, amendments and interpretations that have either not yet entered into force or have not been adopted by the EU.

2.3.1 New standards, interpretations, revisions and amendments to existing standards, which have entered into force and have been adopted by the EU

The following new Standards, Interpretations and Amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and their application is mandatory from 01.01.2024 or later.

Amendments to IFRS 16 "Leases: Lease Obligation in a Single Sale and Release" (applicable for annual periods starting on or after 01.01.2024)

In September 2022, the IASB issued limited-purpose amendments to IFRS 16 "Leases" that add requirements for how a company accounts for a sale and leaseback after the date of the transaction. A sale and release is a transaction in which, a company sells an asset and leases the same asset back for a period of time from the new owner. IFRS 16 includes requirements relating to the accounting handling

of a sale and release on the date the transaction takes place. However, the Standard did not specify how the transaction would be measured after that date, in particular when some or all of the payments are variable payments that do not depend on an index or interest rate. The adopted amendments are in addition to IFRS 16 requirements on sale and releasing, thereby supporting the consistent application of the accounting standard. These amendments will not change the accounting treatment for leases other than those resulting from a sale and release transaction. The Company has examined the impact of all of the above on its Financial Statements and they have not. The above have been adopted by the European Union with an entry into force date of 01.01.2024.

Amendments to IAS 1 "Classification of Liabilities as Short-Term or Long-Term" (applicable for annual periods starting on or after 01.01.2024)

The amendments provide guidance on IAS 1 requirements for classifying liabilities as short-term or long-term. The amendments clarify the concept of the right to defer settlement of an obligation, which should exist at the reference date. The intention of the Management or the counterparty's right to settle the obligation through the transfer of equity securities does not affect the short-term or long-term classification. In addition, it clarifies that only clauses that an entity must comply with on or before the reference date affect the classification of an obligation. Amendments to the Standard require that information relating to these clauses be disclosed in the notes to the financial statements. The amendments apply for annual accounting periods starting on or after 1 January 2024, with their early adoption allowed. The Company has examined the impact of all of the above on its Financial Statements and they have not. The above have been adopted by the European Union with an entry into force date of 01.01.2024.

Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": Supplier Financing Arrangements (applicable for annual periods beginning on or after 01.01.2024)

In May 2023, the IASB issued amendments ('Supplier Finance Arrangements'), which amended IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures'. The new amendments require an entity to provide additional disclosures about vendor financing arrangements. Those disclosures are intended to assist users of financial statements (a) to assess how supplier funding arrangements affect an entity's liabilities and cash flow, and (b) to understand the impact of supplier funding arrangements on liquidity risks and how the entity could be affected if those financial instruments are no longer available. The amendments to IAS 7 and IFRS 7 apply to the accounting period on or after 1 January 2024. The Company has examined the impact of all of the above on its Financial Statements and they have not. The above have been adopted by the European Union with an entry into force date of 01.01.2024.

2.3.2 New Standards, Interpretations, Revisions and Amendments to existing Standards, which have not yet entered into force or have not been adopted by the EU

The following new standards, interpretations and revisions of standards, have been published, but have either not yet entered into force or have not been adopted by the EU:

Amendments to IAS 21 "The Effects of Exchange Price Changes": Lack of Exchangeability (applicable for annual periods starting on or after 01.01.2025)

In August 2023, the IASB issued amendments to IAS 21 'The effects of exchange price changes' requiring entities to provide more useful information in their financial statements when one currency cannot be exchanged for another currency. The amendments include the introduction of the definition of the exchangeability of a currency, as well as the process by which the entity should assess that

exchangeability. In addition, the amendments provide guidance on how an entity should calculate the spot rate in cases where the currency is not exchangeable and require additional disclosures in cases where an entity has calculated an exchange rate due to a lack of exchangeability. The amendments to IAS 21 apply to the accounting period on or after 1 January 2025. The Company will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above have been adopted by the European Union with an entry into force date of 01/01/2025.

IFRS 9 & IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" (applicable for annual periods starting on or after 01.01.2026)

In May 2024, the IASB issued amendments to the classification and measurement requirements of IFRS 9 'Financial Instruments' and corresponding IFRS 7 'Financial Instruments: Disclosures' disclosures. In particular, the new amendments clarify when a financial obligation must be derecognised when its payment is made through electronic payment. Additional guidance is also provided to assess contractual cash flow characteristics for financial assets linked to ESG (environmental, social and corporate governance) criteria. In addition, the disclosure requirements relating to investments in equity securities identified at fair value through other comprehensive income have been amended and disclosure requirements have been added for financial instruments with possible characteristics not directly related to key risks and borrowing costs. The amendments apply to accounting periods starting on or after January 1, 2026. The Company will examine the impact of all of the above on its Financial Statements, although they are not expected to have any. The above has not been adopted by the European Union.

IFRS Annual Improvements-Volume 11 (applicable for annual periods starting on or after 01.01.2026)

In July 2024, the IASB issued IFRS Annual Improvements, which include minor amendments to the following accounting standards: IFRS 1 "First Application of International Financial Reporting Standards", IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows". The amendments apply to accounting periods on or after January 1, 2026. The Company will examine the impact of all of the above on its Financial Statements. The above has not been adopted by the European Union.

IFRS 18 "Presentation and Disclosure of the Financial Statements" (applicable for annual periods beginning on or after 01.01.2027)

In April 2024, the IASB adopted a new Standard, IFRS 18 which replaces IAS 1 "Presentation of Financial Statements". The purpose of the Standard is to improve the way information is provided in an entity's financial statements, in particular the statement of profit and loss statements and disclosures on the financial statements. Specifically, the Standard will improve the quality of financial reporting due to: a) the requirement of defined subsets in the income statement, b) the requirement to disclose in a separate note to the financial statements the performance indicators defined by the company's management (Management-defined Performance Measures), c) the new principles for aggregation – disaggregation. The Company will examine the impact of all of the above on its Financial Statements. The above has not been adopted by the European Union.

2.4 Foreign currency conversion

Currency of measurement and reference: The currency of measurement and reference of the Company is the euro. The Financial Statements are presented in euros, while the explanations and Notes to the Financial Statements are presented in euros, unless otherwise stated.

Transactions and balances: Transactions in foreign currency are converted into euros at the exchange rates in force on the dates of the transactions. Claims and liabilities denominated in foreign currency at

the date of preparation of the Financial Statements are adjusted to reflect the exchange rates of the date of writing. Gains and losses arising from such transactions (and from the conversion of Assets and Liabilities expressed in in foreign currency), are recognised in the income statement, unless they are recorded in the net position as recognised cash flow hedges.

2.5 Interest income and expenses

Interest income and expense are recognised in the income statement on an accrued basis for all interest-bearing instruments, using the effective interest rate method. The effective interest rate is the interest rate that accurately discounts the estimated future cash outflows or inflows over the expected life of the financial instrument or, where appropriate, over a shorter period of time, to the net carrying amount of the financial asset or liability. For the calculation of the effective interest rate, cash flows are calculated taking into account all the terms of the financial instrument's contract, but not future losses from credit risk.

The calculation includes the fees and basis units paid or collected between the contracting parties to the contract and which form an integral part of the actual interest rate, transaction costs and all other plus and below par amounts.

The Company calculates interest income by applying the effective interest rate method to the pre-impairment book value of non-impaired financial assets (Stage 1 and 2 exposures) and respectively to the depreciable cost of financial liabilities. For the credit-impaired financial assets in Stage 3, the Company calculates interest income by applying the effective interest rate (EIR) method on the depreciable cost of the financial assets adjusted to the forecast of expected credit losses. If the asset ceases to be credit-impaired, the EIR is reapplied to the provisioned carrying amount.

2.6 Fees and commissions

Fees and commissions are generally recognised on an accrued basis. Commissions and fees, related to transactions with foreign Correspondent Factors, remittance fees and bank charges, are recognized upon completion of the said transaction and the sending of the debit note.

2.7 Cash and cash equivalents

For the purposes of compiling cash flows, cash and cash equivalents are the balances of the Cash and Cash Cash accounts in Banks.

2.8 Financial instruments

A financial instrument is any contract that creates a financial asset in one business and a financial obligation or a participating security in another. The financial assets and financial liabilities are recorded in the Company's Financial Position Statement, from the moment it becomes a party to the financial instrument.

Identification, classification and initial measurement

Financial assets

Classification and measurement

In accordance with IFRS 9, financial assets are classified into one of the following three categories:

- 1. to depreciable costs** , provided that both of the following conditions are met:

- i. the financial asset is maintained within the framework of a business model, the purpose of which is to hold financial assets for the purpose of collecting conventional cash flows, and
 - ii. Under the contractual terms governing the financial asset, cash flows are generated on specific dates, consisting solely of payments of principal and interest on the outstanding principal and interest (SPPI).
2. **at fair value through other results directly in the net position**, provided that both of the following conditions are met:
- i. the financial asset is maintained within the framework of a business model the objective of which is achieved both by collecting conventional cash flows and by selling financial assets; and
 - ii. On the basis of the contractual terms governing the financial asset, cash flows are generated on specific dates, consisting solely of the repayment of principal and interest on the outstanding principal balance.
3. **and fair value through results** In any other case, the financial assets will be measured at fair value through results.

Business Model Assessment: An entity's business model is defined at a level that reflects how financial asset groups are jointly managed to achieve a specific business objective. Essentially, it refers to how the entity manages its financial assets to generate cash flow. The business model determines whether cash flows will result from the collection of conventional cash flow, the sale of financial assets, or both. IFRS 9 stipulates that financial assets that are intended for commercial exploitation or managed at fair value will be measured at fair value through results.

SPPI Assessment (Assessment of Conventional Cash Flows Relating Exclusively to Principal and Interest Payments): When assessing whether the contractual flows relate exclusively to principal and interest payments, the Company takes into account whether these flows are consistent with a basic loan agreement, essentially checking whether the key elements of the interest rate incorporate the consideration for the overtime value of the money; credit risk and/or other key borrowing risks as well as a profit margin. An assessment is also carried out as to whether a financial asset includes a contractual term that could quantitatively or temporally affect conventional cash flows in such a way that this condition would not cease to apply. Where contractual terms give rise to exposure to risks or volatility unrelated to a core loan agreement, the relevant financial asset will be measured at fair value through the results.

Assessment of changes in classification and measurement: At the date of the changeover, the Company proceeded to an evaluation of the business model in the portfolios and proceeded to a detailed assessment of the contractual terms in the portfolio of debt securities, in order to identify possible changes in their classification and measurement. The majority of the Company's portfolio of debt securities meets the "SPPI" criterion.

Financial assets are not reclassified after their initial recognition, unless there are changes in the Company's business model for managing financial assets.

Business Model	Key Features	Measurement Category	Classification of Financial Instruments
Retaining Model (Hold to Collect)	▪ Holding for cash flow collection ▪ Cash flow represents only repayment of principal and interest (SPPI criterion) ▪ Selling the instruments in frequency and size is not possible	Amortized costs (Amortised Cost)	▪ Cash and cash equivalents ▪ Claims against credit institutions ▪ Loans and receivables against customers
Holding and Selling Model (Hold to Collect and Sell)	▪ Holding for cash flow collection with the main purpose of selling the instruments ▪ Cash flow represents only repayment of principal and interest (SPPI criterion)	Fair value through other Total Revenue (Fair Value through Other Comprehensive Income – FVOCI)	-
Other	▪ The media cannot be classified into the above two models ▪ Cash flows that may occur have a random frequency	Fair value through Results (Fair Value through Profit or Loss – FVPL)	▪ Securities and Investments in Equity Securities

Consequently, and based on the existing business models:

- **Receivables from customers** are measured in depreciable costs,
- **Financial liabilities** are valued at amortised costs.

Impairment of financial assets

IFRS 9 has introduced a model **of expected credit losses (ECLs)** for financial assets that are not measured at fair value through results.

IFRS 9 uses a **"three-step"** approach which reflects changes in credit quality since initial recognition.

Stage 1: Aggregates both debt securities with low credit risk at the reporting date and other financial assets for which no significant increase in their credit risk has been observed since initial recognition. In such cases, a provision for credit risk losses equal to the 12-month expected losses is recognised. Credit losses for 12 months are defined as the part of expected credit losses over the lifetime that represents the expected credit losses resulting from default events on a financial instrument that are likely within 12 months after the reporting date.

Stage 2: Aggregates financial assets whose credit risk has increased significantly since their initial recognition and for which no loss-making event has been observed. In these cases, a provision of impairment equal to the expected credit losses for their lifetime is recognised ('lifetime expected losses').

Stage 3: Aggregates the purchased or credit-impaired financial assets at their initial recognition. In such cases, the impairment provision is always measured as an amount equal to the expected credit losses over their entire life.

Measurement of expected credit losses

The amount of the expected credit loss measurement represents a probability-weighted average estimate that takes into account the value of money over time. Credit loss is defined as the present value of the difference between **(a)** the contractual cash flow due to an entity under the contract and **(b)** of the cash flows that the entity expects to receive (cash shortfalls). The discount for the determination of this value is carried out at the initial effective interest rate (EIR) of the asset, or at the

credit-adjusted EIR in respect of the financial assets purchased or credit-impaired at initial recognition. The way an entity measures the expected credit losses of a financial instrument must, inter alia, reflect reasonable and reasonable information that is available at the reporting date without undue cost or effort and relates to past events, current conditions and projections of future economic conditions.

For the purposes of measuring expected credit losses, the Company has taken into account expected cash shortfalls with collateral cash flows or other credit risk protection measures contained in the contractual terms and which are not separately recognised. The estimate of expected cash shortfalls for a financial asset with collateral reflects the amount of cash flows and the time they are expected to be collected from the auction process after deduction of the discounted costs of the sale of the collateral, regardless of whether auction is likely. The expected credit losses are calculated for the maximum contractual period in which the Company is exposed to credit risk. The maximum contractual period is determined based on the essential terms of the financial instrument, including the possibility of requiring early repayment or cancellation by the Bank, as well as the right of extension by the client. In this context, the Company takes into account the usual process of taking credit risk reduction measures, past practices, future intentions and expected credit risk management measures, the period during which it was exposed to credit risk for similar financial instruments as well as the duration of relevant defaults for similar financial instruments following a significant increase in credit risk.

In some cases, the entity may not have reasonable and reasonable information that is made available without undue cost or effort to measure expected credit losses over the lifetime on an individual instrument basis. In this case, expected lifetime credit losses are recognised on a collective basis taking into account comprehensive credit risk information.

This comprehensive credit risk information should incorporate not only information relating to the past, but also all relevant credit risk information, including macroeconomic information relating to the future, in order to approximate the effect of the recognition of expected credit losses over the lifetime when there has been a significant increase in credit risk after initial recognition at the level of a single medium. **The measurement of expected credit losses for large exposures is done on an individual basis, while for other exposures, the measurement of expected credit losses may be carried out on a collective basis.**

Ranking of exposures in stages

The Company distinguishes between financial assets as those measured **on the basis of 12-month expected credit losses (stage 1) and those for which expected credit losses are recognised over their lifetime (stage 2 and 3) according to whether there has been a significant increase in credit risk since initial recognition.** In assessing whether a financial asset has suffered a significant increase in credit risk since initial recognition, the Company takes into account a combination of quantitative and qualitative criteria which include, among others:

- Possible changes in the probability of default for the remaining life of the financial asset (residual lifetime probability of default).
- Absolute thresholds of the probability of default for the remaining life of the financial asset.
- Days of delay.

Management may temporarily intervene by adjusting the effects of the impairment model, either on an individual or collective basis, with regard to financial exposures with common credit risk characteristics, in order to take into account specific situations, which may not be fully reflected in the impairment models. **Financial assets that have suffered a significant increase in credit risk since initial**

recognition are classified in Stage 2. When the classification criteria in Stage 2 cease to apply, then the financial assets are reclassified to Stage 1. **Financial assets, when considered impaired due to credit risk, are classified in Stage 3.** Subsequent carry-overs from stage 3 to stage 2 will take place when the financial assets cease to be considered impaired due to credit risk.

Basic parameters for determining expected credit losses

The calculation of expected credit losses is based on the curves of probability of default (PD), loss as a percentage of loss given default (LGD), exposure at default (EAD), cure rate (CR) and other parameters such as the credit conversion factor (CCF) and the prepayment rate. Generally, the Company derives these parameters from internally developed statistical models, point-in-time historical data and observations, utilizing the existing infrastructure it has developed regarding the regulatory framework and risk management practices. The calculation of expected credit losses is carried out using the following formula:

Determination of fair value of financial instruments

Fair value is defined as, the price at which an Asset asset (financial or non-financial) will be sold, or the price that will be paid for the transfer of a liability (financial or non-financial) in a normal transaction between market participants, at the measurement date. In measuring fair value, we assume that the transaction for the sale of the asset, or the transfer of the liability, takes place, either (i) in the principal market for the asset or liability, or (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

A financial instrument is considered to be tradable on a principal market if the trading prices are readily and regularly available from an exchange, broker, business sector, pricing agency or regulatory body, and these prices reflect current and regularly conducted market transactions on a purely commercial basis.

An entity does not need to carry out an exhaustive search of all possible markets to identify the main market or, in the absence of a main market, the most advantageous market, but to take into account all reasonably available information. In the absence of evidence to the contrary, the market on which an entity would normally engage in a transaction for the sale of the asset or the transfer of the obligation is considered to be the main market or, in the absence of a main market, the most advantageous market. If there is a principal market for the asset or liability, the fair value measurement represents the price on that market (whether that price is directly observable or estimated using another valuation technique), even if the price in a different market may be more advantageous at the measurement date.

IFRS 13 defines the hierarchy of valuation models, regarding the objectivity of the elements used in these models (observable or non-observable elements). Observable data are based on market data and are derived from independent sources, while non-observable data refer to assumptions made by management. The Company calculates the fair value of financial instruments, based on a relevant framework that classifies financial assets in a three-level hierarchy, based on the data used to value them, as described below:

Level 1: Investments measured at fair value, based on negotiable (non-adjusted) prices on active markets, for similar assets or liabilities.

Level 2: Investments measured at fair value, based on valuation models, in which all elements that significantly affect fair value are based (either directly or indirectly) on observable market data.

Level 3: Investments measured at fair value, based on valuation models, where the elements that materially affect fair value are not based on observable market data.

Deletion

An Asset Financial Instrument is written off when the Company loses control over the contractual rights contained in that item. This happens when the rights expire or are transferred and the Company has transferred substantially all of the risks and benefits involved in its ownership. Financial obligations are written off when the Company's obligation to pay cash or other financial instruments ceases to exist.

Netting

Financial assets and liabilities may be set off and the net amount appears in the Financial Position Statement, when there is a contractual right that allows the set-off of the amounts recorded, and at the same time, there is an intention, either for the simultaneous settlement of the total amount, both of the financial asset and the liability, respectively, or for the settlement of the net amount resulting after set-off.

Amendments to financial instruments

Financial assets

If the terms of a financial asset are amended, then the Company assesses whether the cash flows of the modified asset are materially different. If the cash flows are materially different, then the contractual rights to the cash flows from the original financial asset are considered to have expired. In this case, the original financial asset is written off, and a new financial asset is recognised at fair value plus any transaction costs.

If the Company intends to modify a financial asset in a way that would lead to cash flow forgiveness, then it first considers whether a portion of the asset should be written off prior to modification. This approach affects the outcome of the quantitative assessment and means that the deletion criteria are not usually met in such cases.

If the modification of a financial asset measured at amortized cost or fair value through other results does not result in the write-off of the financial asset, then the Company recalculates the gross carrying amount of the financial asset using the asset's original effective interest rate and recognizes the resulting adjustment as a profit or loss on profits, or Damage.

For floating rate financial assets, the initial effective interest rate used to calculate the modification profit or loss is adjusted to reflect current market conditions at the time of the modification. The modified financial asset is depreciated during the remaining period of the modified financial asset.

If such an amendment is made, then the profit or loss is presented as interest income calculated using the effective interest rate method.

When the terms of a financial asset are amended and the amendment does not result in a write-off, the determination of whether the credit risk of the asset has increased significantly reflects the comparison:

- of its remaining PD lifetime at the reference date based on the amended terms with

- the residual lifetime PD calculated on the basis of the original contractual terms.
- When the amendment leads to a write-off, a new loan is recognised and allocated to Stage 1 (assuming it is not impaired at that time).

Financial liabilities

The Company writes off a financial obligation when its terms are amended and the cash flows of the amended liability are materially different. In this case, a new financial obligation under the amended terms is recognised at fair value. The difference between the carrying amount of the financial obligation not recognised and the consideration paid shall be recognised in the results.

The consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new amended financial obligation.

If the amendment of a financial obligation is not counted as a write-off, then the amortised cost of the liability is recalculated by discounting the modified cash flows to the original effective interest rate and the resulting profit or loss is recognised in the results. For floating rate financial obligations, the initial effective interest rate used to calculate the modification profit or loss shall be adjusted to reflect current market conditions at the time of the modification. Any expenses and fees incurred shall be recognised as an adjustment to the carrying amount of the liability and shall be amortised in the remaining period of the amended financial obligation by calculating the effective interest rate on the financial instrument.

Amendment of financial data due to financial difficulties

The Company renegotiates loans to customers facing financial difficulties (forbearance activities) in order to maximize collection opportunities and minimize the risk of default.

This tolerance is granted on a selective basis if the debtor defaults or if there is a high risk of default, if there are indications that the debtor has made all reasonable efforts to pay in accordance with the original contractual terms and if the debtor is expected to meet the revised terms. Revised terms usually include extending the maturity, changing the timing of interest payments, and modifying loan terms. Both retail and corporate loans are subject to the forbearance policy.

If cash flows are modified when the borrower is experiencing financial difficulties, then the goal of the modification is usually to maximize the recovery of the original contractual terms rather than to create a new asset on substantially different terms.

If such an amendment is made due to financial difficulties of the borrower, then the profit or loss is presented together with the impairment losses.

For financial assets that are modified as part of the Company's tolerance policy, the PD estimate reflects whether the amendment has improved or restored the Company's ability to collect interest and principal.

As part of this process, the Company assesses the debtor's payment performance against the amended contractual terms and examines various behavioural indicators.

2.9 Intangible assets

Software licenses are valued at acquisition costs minus depreciation. Depreciation is carried out using the fixed method, during the useful life of these elements, which is estimated at 10 years. Expenses required for the development and maintenance of the software are recognized as expenses when incurred. Expenses incurred for the development of specific software controlled by the Company are recognized as intangible assets. Such costs include staff fees and a proportion of overheads.

2.10 Tangible assets

Tangible fixed assets are valued as follows:

- Land and buildings at fair value, as determined by appraisals by professional appraisers, based on market indications, in accordance with IAS 16.
- Mechanical equipment, cars, computers, ATMs and other equipment at the cost of acquisition minus accumulated depreciation and any impairment.

The fair value in the assets of the first case or the acquisition cost in those of the second case includes all directly attributable costs for their acquisition. It may also include gains or losses on hedging for foreign exchange risk when purchasing assets that were recorded in an equity reserve. Subsequent expenses are recorded in addition to fair value or cost of acquisition, respectively, or as a separate asset, only if it is likely that future financial benefits will flow to the Company and their costs can be measured reliably.

According to IAS 23, the cost of borrowing is carried over to an increase in the cost of acquiring the relevant asset, when the conditions of IAS 23 are met. They state that: (a) the borrowing costs must be directly related to the acquisition, construction or production of an asset, which requires a significant period of preparation, for the use for which it is intended or for its sale, and (b) the borrowing costs would have been avoided if the expenditure on that asset had not been incurred.

The cost of repairs and maintenance is recorded in the results when they are carried out.

The plots are not depreciated. The depreciation of all other assets of tangible assets is calculated using the fixed method, within their useful life, which is as follows:

Fixed Assets Category	Coefficient	Useful Life
Improvements on leased properties	Lease Duration or Useful Life	
Buildings – technical works	2,86%	35 years
Machinery	10,00%	10 years
Cars	20,00%	5 years
Computers & A.T.M.	20,00%	5 years
Fixtures	10,00%	10 years

The residual values and useful lives of tangible assets are subject to review at each Financial Position Statement date.

When the carrying amounts of tangible assets measured at acquisition cost exceed their recoverable value, the difference (impairment) is recorded directly as an expense in the profit and loss account.

When selling tangible assets, differences between the price received and their carrying amount (fair value or cost of acquisition, depending on the category of tangible assets) are recorded as gains or losses in the profit and loss period.

After their initial recognition, plots and buildings whose fair value can be reliably valued appear at an adjusted value, consisting of their fair value on the day of the revaluation. Adjustments are made regularly so that the carrying amount does not differ materially from that which would be determined using fair value at the date of the Financial Position Statement.

The frequency of adjustments depends on changes in the fair value of the items subject to adjustment. When the fair value of a plot of land or a building that has been readjusted differs significantly from its book value, a further adjustment is required.

When a building is readjusted, its accumulated depreciation on the day of the readjustment is reformulated, depending on the change in the pre-depreciation value of the asset, so that its book value after the readjustment is equal to the adjusted one.

If the book value of a plot of land or building increases as a result of an revaluation, the increase is credited directly to the net position under the heading revaluation surplus. However, an increase due to revaluation is recognised in the results, to the extent that it reverses a previous depreciation of the same asset, which was previously recognised in the results.

If the book value of a plot or building decreases as a result of an adjustment, the reduction must be recognised in the results. However, the reduction will be charged directly to the net position, to the revaluation surplus, to the extent that there is a credit balance in the revaluation surplus in respect of that asset.

The revaluation surpluses included in the net position can be transferred directly to the profit balance in a new one, when the plot or building is written off. This may involve the transfer of the entire surplus when the plot or building is withdrawn or sold. However, part of the surplus can also be carried over during the use of the asset. In such a case, the amount of the surplus that can be carried forward consists of the difference between the depreciation based on the adjusted book value and the depreciation based on the original price of the asset. Transfers from revaluation surpluses to new profits are not made through profits or losses.

The effects of taxes on income resulting from any adjustment of tangible assets are recognised and disclosed in accordance with IAS 12 "Income Taxes".

2.11 Impairment of Non-Financial Assets

Tangible assets and other non-current assets are considered for potential impairment loss whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Whenever the carrying amount of an asset exceeds the amount recoverable from that asset, the corresponding impairment loss of the asset is recorded in the profit and loss for the financial year.

The recoverable value of an asset is the largest amount between the estimated net sale price and its value in use. Net sale value is considered to be the achievable proceeds from the sale of an asset in the context of an equitable transaction, to which the parties have full knowledge and voluntarily join, after deduction of any additional direct cost of disposal of the asset, while value in use is the present value

of the estimated future cash flows expected to be realized from the continued use of an asset and from its disposal at the end of the estimated useful life. If it is not possible to estimate the recoverable amount of an asset for which there is evidence of impairment, then the recoverable amount of the cash-generating unit to which the asset belongs is determined.

Impairment loss calculated in previous years is offset only when there are sufficient indications that this impairment no longer exists or has decreased. In such cases, the above set-off is recognized as income.

2.12 Income tax and deferred taxation

The income tax burden for the fiscal year consists of current taxes and deferred taxes, i.e. tax burdens or reliefs that arise during the fiscal year but have already been or will be attributed by the tax authorities to different fiscal years. Income tax is recognised in the results of the financial year.

Taxable profit usually differs from the accounting profit shown in the Statement of Total Income, as it does not include taxable or deductible temporary differences and funds that constitute permanent differences or are exempt from tax. Current taxes are determined in accordance with the tax rates and tax laws applicable to the fiscal years to which they relate, based on the taxable profit of the fiscal year.

Deferred taxation is calculated using the liability method in all temporary tax disputes, at the date of the Financial Position Statement, between the tax base and the carrying amount of assets and liabilities. They appear either as future deferred tax liabilities or as deferred tax claims. Deferred tax claims and liabilities are determined based on the tax rates expected to apply and apply to the financial year in which the claim or liability is estimated to be settled, taking into account the tax rates (and tax laws) that have come into effect or are in effect as of the date of the Financial Position Statement.

Deferred tax liabilities are recognised for all temporary tax disputes. Deferred tax claims are recognised, to the extent that there will be future taxable profit for the use of the temporary difference that creates the deferred tax claim. Deferred income tax is not recognised, if it arises from the initial recognition of an Asset or Liabilities or from a transaction outside a business combination, which, when it took place, did not affect either the accounting or the tax result, profit or loss. The carrying amount of the deferred tax claim is examined at each Financial Position Statement date and is reduced, to the extent that it is no longer likely that sufficient available taxable earnings will permit its recovery (in whole or in part).

Deferred tax claims and liabilities are set off when there is a legally strong right to set current tax claims against current tax liabilities and when they relate to income taxes levied by the same tax authority and in addition the Company intends to settle its current tax claims and liabilities on a single basis. According to the applicable tax legislation (article 27A of Law 4172/2013), deferred tax claims may be converted into a final and cleared claim by the Greek State under certain conditions in case of loss-making results (deferred tax claim not based on future profitability). Deferred taxes burden or improve the results of the financial year. Exceptionally, when they relate to items or transactions that have been recorded directly in Equity, in the same or in a different period, they are recorded in a similar manner directly in Equity.

2.13 Staff Benefits

(i) Short-term benefits

Short-term benefits to employees are those that are expected to be cleared in their entirety within twelve months after the end of the annual reporting period in which employees provide the relevant services and are recognised as an expense during the period during which those services are provided.

(ii) Pension liabilities

The Company participates in defined contribution pension schemes according to which it pays fixed contributions to social security funds. The Company has no other obligations for pension payments other than the contributions it pays. The Company's contributions to the defined contribution pension schemes are recognised as benefits to staff during the period concerned.

(iii) Staff Departure Allowances

In accordance with the applicable labor legislation, the Company forms an obligation to compensate personnel due to leaving the service for employees who are entitled to a one-off compensation, when they remain in the service until the usual retirement age. This compensation is based on years of service, starting from the date from which the employee's service initially leads to benefits, in accordance with the schedule, and until the date when the further service does not result in significant amounts of additional benefit and earnings of employees at the date of retirement. The amount of the liability is formed on the basis of an actuarial study, using the method of the credit unit provided.

Under this method, the cost of severance pay is recognised in the statement of earnings during the employees' years of service, according to actuarial valuations carried out each year.

The out-of-service compensation obligation is calculated as the present value of expected future cash outflows, using high credit rating bond rates. In countries where market data for such bonds is insufficient, government bond yields are used. The currency and maturity terms of the bonds used are in accordance with the currency and the estimated duration of the obligation to compensate staff due to exit from service.

Actuarial gains or losses arising from the calculation of the retirement compensation for the Company are recognized directly to the Other Total Income in the year incurred and are not carried over to the profit and loss account in subsequent periods. Current service costs and interest expense are recognized directly in the results.

(iv) Profit participation programs and allowances

The Company periodically rewards high-performance employees with cash (bonuses) at will. Cash benefits (bonuses) that require approval only from the Management, are recognized as accrued personnel expenses. The distribution of profits to employees for which approval by the General Meeting is required is recognized as personnel expense in the fiscal year approved by the Company's shareholders.

2.14 Other financial liabilities

Other financial liabilities are initially recognised at fair value, and are subsequently measured at their depreciable value and include liabilities to credit institutions and customers.

2.15 Equity

Debt and Net Position Discrimination Principles: Financial instruments issued by the Company to raise capital are classified as items of the net position if, on the basis of the substance of the contract, the Company does not enter into a contractual obligation to pay cash or other financial assets or to exchange financial assets on terms that may be unfavourable to the Company.

In the event that, in respect of the funds raised, the Company is obliged to issue shares, the number of shares must be fixed and specified in the initial contract in order for the obligation to issue shares to be recorded as an element of the net position.

Share capital increase expenses: Direct expenses for the issuance of shares appear, after deduction of the relevant income tax, in a reduction of the result to neon.

Difference from the issuance of shares at par: This account records the difference between the nominal value of the shares issued and their disposal price in the event of a share capital increase.

Treasury Shares: The cost of acquiring treasury shares is shown minus equity. Any gain or loss from the sale of treasury shares, net of direct transaction expenses and taxes, is recognised directly in the "Net Income" account.

Dividends: Dividends payable reduce the "Results in Reverse" account and are recorded as a liability at the time of approval by the General Meeting of Shareholders.

2.16 Provisions for risks and expenses

Provisions are recorded when the Company has a present legal or presumed obligation, as a result of past events, it is likely that an outflow of funds will be required to settle the obligation and a reliable estimate of the amount can be made.

The Company acknowledges a provision for harmful contracts when the expected benefits that will be generated by the contract are less than the unavoidable cost of the obligations under the contract.

The provisions are reviewed at the end of each financial year and adjusted to reflect the best possible estimates, and where necessary, discounted on the basis of a pre-tax discount rate.

Contingent liabilities are not recorded in the Financial Statements, but are disclosed, unless the probability of an outflow of resources incorporating financial benefits is minimal. Contingent receivables are also not recorded in the Financial Statements, but are disclosed, if the inflow of financial debts is likely.

2.17 Leases

In accordance with IFRS 16, on the date of commencement of the lease, the Company as a lessee recognises on the balance sheet rights to use leased assets and lease liabilities, which are initially measured at the present value of future leases.

The Company applied this initial measurement to all leases, excluding those with a lease period of 12 months or less, making use of the relevant exceptions for short-term leases and leases in which the underlying asset is of low value. Also, the Company used the exception not to reassess whether an agreement is a lease on the date of first application of the standard.

In applying the modified retrospective approach, the Company used the following main considerations and assumptions:

- In order to determine the lease period of the leases to which the Company is the lessee, including leases of indefinite duration, all relevant facts and conditions, such as future housing needs and

expected use, were taken into account and a judgment was exercised. In addition, rights for extension or termination of the lease were taken into account, which are considered essentially certain to be exercised. These estimates will be reviewed on a regular basis during the period of each lease.

- The present value of lease liabilities was measured on the basis of the interest rate on business financing for loans over 5 years according to the statistics of the Hellenic Company (3.25%), as the interest rate included in the leases could not be easily determined. It is noted that the discount rate used to determine lease liabilities will be recalculated on a regular basis, using updated data.
- Applicable taxes, VAT and stamp duty were excluded from the scope of IFRS 16 calculations.

Lease accounting policy when the Company is a tenant:

When the Company becomes the lessee in a lease, it recognizes an obligation from leases and a corresponding right to use a leased asset at the beginning of the lease period, once it has gained control of the use of the asset.

Lease liabilities are measured on the present value of future leases payable during the lease period, which are discounted using an estimated borrowing rate. Interest - expense on lease liabilities is presented in **General Administrative Expenses** and not in Interest Expenses.

The right to use leased assets is initially recognised in an amount equal to the lease obligation and is adjusted for rent advances, initial direct costs or incentives received for the conclusion of leases. Thereafter, the right to use a leased asset is depreciated during the lease or useful life of the underlying asset, if this is less, with the depreciation shown in operating expenses/Depreciation and is checked for impairment.

Where a lease contains extension or termination rights that the Company estimates will be exercised, the expected future payable rents or the cost of early termination are included in the payable rents used to calculate the lease obligation.

In the event of a change in future rent payments resulting from a change in index or interest rate, extension or termination, the lease obligations are reassessed with the change being recognised through the right of use. Other changes are recognized through the results. Rights of use appear under the heading "Self-used tangible assets" while lease liabilities appear separately in the financial position statement.

Leasing accounting policy when the Company is a lessor:

The Company continues to recognise the underlying asset and does not recognise a net investment in the lease in the financial position statement or an initial profit (if any) in the statement of total income.

The Company recognizes the rents paid by the tenants as income pro-rata during the lease. It also recognises as expenses the expenses incurred to acquire the income of the lease, including depreciation.

2.18 Related-party transactions

According to IAS 24, a related person is defined as a natural or legal person who is affiliated with the entity that prepares Financial Statements. Two parties are considered to be linked if one has the ability

to control or exert substantial influence over the other in economic and business decisions. Specifically, related parties are:

- a. Companies that, directly or indirectly, control or are controlled by the Company.
- b. Affiliated businesses, in which the Company exercises material influence and are not subsidiaries.
- c. Individuals and their close relatives who hold, directly or indirectly, voting rights in the Company, which provide them with substantial influence over the Company.
- d. Directors of the Company, members of the Management and persons closely associated with them.
- e. Companies owned by members of the Management or major shareholders of the Company, as well as companies that have joint managers with the Company.

3. Significant estimates and judgements

Management's main assumptions for assessing how to calculate forecasts

The measurement of expected credit losses requires Management to exercise significant judgment, namely the assessment of the amount and timing of future cash flows as well as the value of collateral when determining impairment losses and estimating the significant increase in credit risk. These estimates are determined by a number of factors, changes in which may lead to significant changes in the timing and amount of the impairment provision for credit losses to be recognised.

The calculation of the Company's expected credit losses is the result of complex models with a series of underlying assumptions regarding the selection of data variables and their interdependencies. The elements of these models that are considered accounting estimates and assumptions include:

Determination of a significant increase in credit risk on the basis of qualitative and quantitative criteria

In order to achieve the objective of measuring expected credit losses, the Company assesses a number of likely outcomes in accordance with IFRS 9 requirements, applying at least three macroeconomic scenarios, namely baseline, unfavorable and optimistic, in a manner that ensures an unbiased and probability-weighted outcome. Each of the scenarios is based on management's assumptions about future economic conditions in the form of macroeconomic factors, market-related factors and other factors.

With regard to macroeconomic assumptions, the Company assesses a specific number of indications for the forecast of risk parameters, and more specifically the commercial real estate price indices, that of unemployment and Gross National Product, the margin of Greek government bonds in relation to the Euribor reference rate, the inflation index, as well as interest rates and exchange rates.

Development of expected credit loss models, including different types of computation, data selection and interdependencies

For the purpose of measuring the expected credit losses, the Company performs the necessary configuration of the model based on the various data observed at a specific point in time (point-in-time) using monthly intervals. Expected credit loss calculations are based on data parameters, i.e. default exposure (EAD), default probability (PD), default data loss (LGD), etc., incorporating management's view of future conditions. The Company also determines the connections between macroeconomic scenarios and economic data, such as unemployment levels and collateral values, as well as their effects on PDs, EADs and LGDs.

In addition, the definition of PDs is not conservative, but unbiased and objective, and incorporates relevant information for future conditions, including macroeconomic scenarios. Parametric risk prediction models incorporate a number of variables, such as GDP, unemployment, etc. used as independent variables to achieve the optimal prediction. The models are based on accounting regressions and operate under the different macroeconomic scenarios and the related changes and shocks in the macroeconomic environment which are reflected accordingly in a non-linear manner.

Segmentation of financial assets for which expected credit loss is assessed on a collective basis

The Company classifies its exposures based on the common credit risk characteristics at initial recognition, both for the assessment of the significant increase in credit risk and for the measurement of the impairment forecast of loans on a collective basis. The different categories aim to record the differences in PDs and recovery rates in case of default. In subsequent periods, the Company shall review the grouping of its exposures at least on an annual basis in order to ensure that these groupings remain homogeneous in their response to the common credit risk characteristics identified. Any realignment reflects management's perception of the change in the credit risk associated with these exposures compared to the initial recognition.

4. Risk management

The Company is exposed to financial risks such as credit risk, liquidity risk, price risk, interest rate risk and foreign exchange risk.

Risk management is carried out by the Company's management, based on the support of specific addresses of the parent company Attica Bank S.A.

Capital risk

The supervisory framework concerning factoring companies is specified by the Acts of the Governor of the Bank of Greece dated 27.09.2021 as follows:

- No. Directive 193/1: Terms and conditions for the granting of a licence for the establishment and operation of companies: a) leasing, b) provision of credits and c) factoring companies - Special holdings - Abolition of the no. 2622/21.12.2009 of the Act of the Governor "Conditions for the granting of a license for the establishment and operation and supervision rules of a) leasing companies, b) credit companies and c) factoring companies" (B' 3/2010) and other Acts of the Governor of the Bank of Greece.
- No. Directive 193/2: Rules for the prudential supervision of leasing companies, provision of credit, factoring companies and microfinance institutions of Law 4701/2020.

In particular, the no. Directive 193/2 states that "The amount of the supervisory equity of the institutions hereof, may not fall short of what is provided for, as the case may be, minimum initial capital throughout their operation".

The Company is fully compliant with the above decisions, and the amount of the supervisory own of its capital far exceeds the required capitals on the basis of the above decisions.

Credit risk

The Company is exposed to credit risk when the counterparty is unable to repay the amounts owed, either as a debtor from commercial transactions (buyer), or as a debtor due to the collection of an advance payment against the assigned receivables (supplier). The Company formulates levels of

acceptable credit risk, based on the financial analysis of the supplier or group of suppliers, the sector of its business, its position in the market and the dispersion of its credit risks.

Factoring Services are distinguished in terms of risk into:

- Factoring with recourse,
- Factoring without recourse,

The Factoring Company's right of recourse to the customer (supplier) for the collection of receivables, mitigates the credit risk it assumes.

The provision of Factoring Services, without recourse, declares that the credit risk has been assumed by the Factoring Company, in case of financial inability of the debtor (buyer). In order to provide Factoring Services without recourse, the Company thoroughly analyses the debtor's (buyer's) credit situation, its commercial transactions over time, evaluates its position in the market, the commercial peculiarities of the debtor's goods or services and accordingly accepts (or rejects) the offer of the Services, specifying the debtor's credit limit.

The Company, for the Factoring Services without recourse it provides to its customers, simultaneously insures the credit risk with a Credit Insurance Company or through Correspondent Factors, provided that it deems there is even a small probability of future financial weakness of the debtor.

The Company re-evaluates the credit and financial limits it has approved based on the creditworthiness of the customer and its debtors regularly, in order to ascertain and verify that they meet the customer's needs and the limits of his creditworthiness.

Classification of the credit risk of receivables against customers

Receivables against customers measured at depreciation costs are categorized according to the way expected credit losses are measured. There are no customer requirements measured at fair value through results (FVTPL).

The maximum exposure to the Company's credit risk is the receivables from customers. The Company does not maintain off-balance sheet exposures.

The following tables show the receivables from customers measured at depreciated costs, in accordance with IFRS 9, per stage, as at 31 December 2024 and 31 December 2023, respectively.

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	157.058	0
<i>Small Business</i>	10.634	0
<i>SME and Large-sized Enterprises</i>	146.424	0
Expected Credit Losses (ECL)	301	0
<i>Small Business</i>	9	0
<i>SME and Large-sized Enterprises</i>	292	0
Net worth after impairment (Stage 1)	156.757	0

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	2.233	0
<i>Small Business</i>	332	0

	<i>SME and Large-sized Enterprises</i>	1.901	0
Expected Credit Losses (ECL)		19	0
	<i>Small Business</i>	3	0
	<i>SME and Large-sized Enterprises</i>	16	0
Net worth after impairment (Stage 2)		2.214	0

Amounts in €	31.12.2024	31.12.2023
Total value before impairment	112	0
	<i>Small Business</i>	112
	<i>SME and Large-sized Enterprises</i>	0
Expected Credit Losses (ECL)	79	0
	<i>Small Business</i>	79
	<i>SME and Large-sized Enterprises</i>	0
Net worth after impairment (Stage 3)	33	0

Exchange rate risk

The Company grants advance payments to its customers for the receivables assigned to it, in the invoicing currency of the transactions. However, the risk assumed by the Company is limited, due to its policy of receiving the necessary liquidity from short-term loan facilities, in a currency equivalent to the advances granted to its customers.

Interest rate risk

The Company is exposed to interest rate risk from the effect of fluctuations on the applicable market interest rates. As a result of such changes, interest rate spreads can increase or even decrease and create a decrease in expected profits. The Company's policy is to establish fixed interest rate spreads with its customers, for each currency, based on interest rates of a certain period of time formed by the market (monthly euribor), covering its liquidity with a corresponding agreement with the parent bank. In some cases where the interest rate is stable, the market trend is monitored and adjusted accordingly at regular intervals.

Sensitivity to interest rate risk

In order to cover the interest rate risk, the Company covers the advances due to its customers with loan facilities so that the interest rate margin remains stable. There were no financial derivatives in the use respectively.

Price risk

The Company is not exposed to price risk, since it does not own any securities that are measured at fair value through the net position nor any Financial items that are measured at fair value through results.

Liquidity risk

The Company is exposed to day-to-day liquidity risks from the management of the client's receivables portfolio. The analysis of cash flows from the clients' portfolio is indicative and not absolute because it is determined on the basis of the commercial agreements of the suppliers to the debtors (buyers), but it is capable of determining the Company's liquidity needs for adequate planning and optimization of its funding needs. The Company maintains sufficient liquidity from the issuance of bond loans, on the basis of which most of its cash flows are covered. The remaining required amount of liquidity is covered

by short-term borrowing in the corresponding currency of the required cash flows, in order to be able to manage cash flows with the best possible return.

The table below presents the Company's financial obligations based on its contractual obligations as of 31.12.2024 and 31.12.2023 on a non-discounted basis.

December 31st, 2024	1 - 3 Months	3 - 6 months	6 months - 1 year	2- 5 Years	over 5 years old	Total 31st December 2024
Liabilities due to credit institutions					23.072.200	23.072.200
Debt Securities in Issue					128.000.000	128.000.000
Liabilities due to Customers	212.065					212.065
Leasing liabilities			6.558			6.558
Income tax liabilities			146.865			146.865
Other liabilities	901.429					901.429
Total	1.113.494	-	153.423	-	151.072.200	152.339.118

31 December 2023	1 - 3 Months	3 - 6 months	6 months - 1 year	2- 5 Years	over 5 years old	Total 31st December 2023
Leasing liabilities			11.535	6.558		18.093
Other liabilities	36.103					36.103
Total	36.103	-	11.535	6.558	-	54.196

Determination of fair values

Fair value is the amount for which an asset could be exchanged, or an obligation to be repaid, between informed and willing parties to a purely commercial transaction. The market price, where there is an active market (such as a recognized exchange), is the best indication of the fair value of a financial instrument. Where there are no indicative market prices, the fair value of financial assets and liabilities shall be calculated using the present value or other valuation methods where all significant variables are observable in the market. The values derived using these methods are significantly influenced by assumptions in relation to the amounts and timing of future cash flows and discount rates used.

The Company does not have any financial assets that are measured at fair value. The Company does not have significant exposure to fluctuations in fair value and the carrying amount of financial assets and liabilities is substantially equivalent to their fair values, except where otherwise stated.

5. Cash and Cash Equivalents

Cash Equivalents and Cash Equivalents at the end of the year are analysed in the table below:

Amounts in €	31.12.2024	31.12.2023
Cash in hand	306	108
Cash at bank	79.466	116.303
Term Deposits	-	5.500.000
	79.772	5.616.411

6. Advances to Customers

Customers' advances are analysed below:

Amounts in €	31.12.2024	31.12.2023
Advances to customers	159.402.621	-
Less: Provisions for bad debts	(398.815)	-
	159.003.806	-

All advances to customers are related to domestic factoring with and without recourse factoring facilities. Further analysis is provided in note 4.

7. Property and equipment

The change in property and equipment is summarized below:

Amounts in €	Furniture & other equipment
Acquisition Value	
Initial balance on 01 January 2023	-
Additions until December 31, 2023	12.161
Sales/Reductions until 31 December 2023	8.880
Balance as at 31 December 2023	21.041
Balance on January 1, 2024	21.041
Additions until December 31, 2024	7.670
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	28.712
Depreciation	
Initial balance on 01 January 2023	(3.222)
Additions until December 31, 2023	(2.584)
Sales/Reductions until 31 December 2023	-
Balance as at 31 December 2023	(5.806)
Balance on January 1, 2024	(5.806)
Additions until December 31, 2024	(4.485)
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	(10.291)
Net Book Value	
Balance as at 31 December 2023	15.235
Balance as of December 31, 2024	18.421

8. Intangible assets

The change in intangible assets is summarized below:

Amounts in €	Software
Acquisition Value	
Initial balance on 01 January 2023	90.900
Additions until December 31, 2023	19.300
Sales/Reductions until 31 December 2023	-
Balance as at 31 December 2023	110.200
Balance on January 1, 2024	110.200
Additions until December 31, 2024	17.480
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	127.680
Depreciation	
Initial balance on 01 January 2023	(11.825)
Additions until December 31, 2023	(9.751)
Sales/Reductions until 31 December 2023	-
Balance as at 31 December 2023	(21.576)
Balance on January 1, 2024	(21.576)
Additions until December 31, 2024	(12.366)
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	(33.942)
Net Book Value	
Balance as at 31 December 2023	88.624
Balance as of December 31, 2024	93.738

9. Rights of use

The change in rights of use is summarized below:

Amounts in €	Software
Acquisition Value	
Initial balance on 01 January 2023	44.314
Additions until December 31, 2023	-
Sales/Reductions until 31 December 2023	-
Balance as at 31 December 2023	44.314
Balance on January 1, 2024	44.314
Additions until December 31, 2024	-
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	44.314
Depreciation	
Initial balance on 01 January 2023	(16.339)
Additions until December 31, 2023	(11.704)
Sales/Reductions until 31 December 2023	-
Balance as at 31 December 2023	(28.043)
Balance on January 1, 2024	(28.043)
Additions until December 31, 2024	(12.062)
Sales/Reductions until 31 December 2024	-
Balance as of December 31, 2024	(40.105)
Net Book Value	
Balance as at 31 December 2023	16.271
Balance as of December 31, 2024	4.209

The Company's leasing payments are related to the long-term operating lease agreement of the company "OLYMPIC COMMERCIAL AND TOURIST ENTERPRISES SINGLE-MEMBER S.A." for two company vehicles. The Company proceeded with the recognition of rights of use of assets (right of use asset) in the amount of €44,314 on the date of signing the leasing agreement (02/07/2021) and the addition is due to a slight adjustment during the previous period.

For the financial year ended 31.12.2024, the Company had rights to use assets of a net book value of €4,209.

10. Deferred Tax

The breakdown of deferred tax claims is listed below as follows:

Amounts in €	Balance sheet	Current year results	Equity
		Charge / (credit)	Charge / (credit)
	2023	2023	2023
Demand			
Adjustments to tangible assets	44	9	-
Long-term lease liabilities	1.443	(2.538)	-
Short-term lease liabilities	2.538	81	-
Tax Loss Carried Forward	50.828	16.063	-
Total	54.853	13.616	-
Obligation			
Intangible Asset Adjustments	(3.572)	2.579	-
Total	(3.572)	2.579	-
Deferred income taxes / (expense)		16.195	
Net deferred taxes asset / (liability)	51.281		

	Balance sheet	Current year results	Equity
		Charge / (credit)	Charge / (credit)
	2024	2024	2024
Demand			
Adjustments to tangible assets	58	14	-
Intangible Asset Adjustments	-	2.655	-
Long-term lease liabilities	-	(1.443)	-
Short-term lease liabilities	1.443	(1.095)	-
Tax Loss Carried Forward	-	-	-
Total	1.501	131	-
Obligation			
Adjustments to tangible assets	-	-	-
Intangible Asset Adjustments	(917)	-	-
Provisions for bad debts	(77.298)	(77.298)	-
Tax Loss Carried Forward	-	(50.828)	-
Total	(78.215)	(128.127)	-
Deferred income taxes / (expense)		(127.995)	
Net deferred taxes asset / (liability)	76.714		

The deferred tax has been calculated at a rate of 22%.

11. Other Assets

Other Assets are analysed below:

Amounts in €	31.12.2024	31.12.2023
Guarantees given	160	160
Prepaid expenses	11.326	8.209
Accrued expenses	-	18.067
VAT	-	53.557
Other	3.218	10.837
	14.704	90.831

12. Share capital

	Stocks(%)	Stocks (number)	Paid-up share capital (€)
Shareholders			
ATTICA BANK S.A.	100	1.200.000	6.000.000
Shareholders on December 31, 2024	100	1.200.000	6.000.000

13. Liabilities

The breakdown of Liabilities for the year in review has as follows:

Amounts in €	31.12.2024	31.12.2023
Liabilities due to credit institutions	23.072.200	-
Debt Securities in Issue	128.000.000	-
Liabilities due to Customers	212.065	-
	151.284.265	-

All bond loans have been covered by the parent bank Attica Bank S.A. and are denominated in the euro currency. The fair value of these liabilities approached their carrying amount at the respective balance sheet dates, which is ranked in terms of fair value hierarchy at level 3.

14. Leases liabilities

Amounts in €	31.12.2024	31.12.2023
Minimum Lease		
Within one year	6.609	11.920
From two to five years	-	6.609
Over five years old	-	-
	6.609	18.529

Less: interest expense	(51)	(435)
	6.558	18.093
Analysis of the present lease value		
Within one year	6.558	11.535
From two to five years	-	6.558
Over five years old	-	-
	6.558	18.093

15. Other liabilities

The analysis of Other Liabilities is analyzed in the table below:

Amounts in €	31.12.2024	31.12.2023
Liabilities to suppliers	2.823	4.941
Other Creditors	503.277	1.966
Value Added Tax (VAT)	281.126	-
Payroll Taxes	14.155	179
Other Taxes	78.005	-
Social Security Liabilities	22.044	1.472
Accruals	-	27.545
	901.429	36.103

16. General, Administrative and Other Operating Expenses

The Administration expenses are analysed in the table below:

Amounts in €	31.12.2024	31.12.2023
Payroll	461.239	28.077
Ancillary Benefits and Personnel Expenses	6.491	-
Employers' social security contributions	99.044	6.298
Staff Secondment expenses	39.486	-
Staff Expenses	606.260	34.375
Third-party fees and expenses	60.240	25.528
Third-Party Benefits	53.462	64.266
Taxes - Fees	8.452	4.881
Other expenses	48.864	7.324
General, Administrative and Other Operating Expenses	171.018	101.999
Depreciation	28.913	24.039
Depreciation	28.913	24.039
Total Administration Expenses	806.191	160.413

The number of personnel was 13 persons on 31 December 2024, compared to 2 persons on 31 December 2023.

17. Interest and related amounts

The Interest and related amounts is analysed as follows:

Amounts in €	31.12.2024	31.12.2023
Interest on leases - IFRS 16	(385)	(753)
Commissions and Other Bank Charges	(904)	(224)
Total Interest and Related Expenses	(1.289)	(979)
Credit interest	3.389	90.317
Total Credit Interest	3.389	90.317
Net result from interest, profit / (loss)	2.100	89.337
Exchange Differences	-	-
Net Financial Result Profit / (Loss)	2.100	89.337

18. Income tax

The Income Tax breakdown for the closed year is analysed in the table below:

Amounts in €	31.12.2024	31.12.2023
Current income tax	146.866	-
Additional taxes and provisions for additional taxes	-	-
Deferred Tax Expense / (Income)	127.995	(16.195)
Key components of tax output (income)	274.861	(16.195)
Profit tax analysis		
Profit / (Loss) before tax	1.249.221	(71.077)
Tax rate (%)	22%	22%
Income tax	274.829	-15.637
Other adjustments	32	-558
Income Tax Expense / (Income)	274.861	(16.195)

19. Net Interest Income

The breakdown of Net Interest Income is analysed as follows:

Amounts in €	31.12.2024	31.12.2023
Interest Income	4.721.567	-
Total Interest Income	4.721.567	-
Interest Expense for Bond Loans	(3.025.080)	-
Interest Expense for Working Capital Loan Facilities	(163.670)	-
Total Interest Expenses	(3.368.750)	-
Net result from interest, profit / (loss)	1.352.817	-

20. Net Commission and Fee Income

The breakdown of Net Commission and Fee income is analysed as follows:

Amounts in €	31.12.2024	31.12.2023
Commission and Fee Income	1.111.218	-
Other Charges	106.156	-
Total Commission Income	1.217.374	-
Credit Insurance Premiums	(57.500)	-
Other Legal Fees and Expenses	(5.768)	-
Third-Party Fees	(30.646)	-
Fees and Expenses (foreign)	(24.150)	-
Total Commission Expenses	(118.064)	-
Net result from commissions profit / (loss)	1.099.311	-

21. Provisions

The analysis of provisions has as follows:

Amounts in €	31.12.2024	31.12.2023
Impairment Provisions	398.815	-
Total Provisions	398.815	-

22. Related Parties

The balances and transactions with the Company's related parties for the year ended 31.12.2024 are summarized in the following table:

Amounts in €	Services expenses	Receivables from related parties	Liabilities to related parties
December 31, 2023			
PANCRETA BANK S.A.	-	-	-
Members of the Board of Directors & Executives	-	-	-
December 31, 2024			
ATTICA BANK S.A.	-	4.773	151.540.755
Members of the Board of Directors & Executives	-	-	307

Amounts in €	Leases	Bank Fees	Staff Loan Fees	Income from interest on deposits	Remuneration of Members and Directors	Other Benefits for Members & Directors
01/01/2023 – 31/12/2023						
PANCRETA BANK S.A.	3.000	-	-	17.232	-	-
Members of the Board of Directors & Executives	-	-	-	-	34.375	18.871
01/01/2024 – 31/12/2024						
ATTICA BANK S.A.	37.709	3.369.107	39.486	644	-	-
Members of the Board of Directors & Executives	-	-	-	-	315.027	14.781

23. Advances and Credits to Board Members

The Company does not have any amounts of advances and credits granted to the members of the Board of Directors, management and supervisory boards, as well as commitments undertaken on their behalf, with any guarantee.

24. Fair Value of Financial Instruments

International Financial Reporting Standards require companies to disclose the fair value of financial instruments, both assets and liabilities.

Management estimates that the carrying amount of receivables from customers after impairment as well as receivables and liabilities from credit institutions, customers and bond loans, as they appear in the financial statements, is close to their fair value, because they are either short-term or re-invoiced at regular intervals.

25. Contingent Liabilities and Claims

As of December 31, 2024, we were not aware of any third-party claims or pending lawsuits with a financial object. The same applies to claims and pending lawsuits brought by the Company against third parties.

The fiscal years 2021, 2022 and 2023 have not been audited for tax purposes. For the fiscal year 2024, the Company has been subject to the tax audit of the statutory auditor, as provided for by the provisions

of article 65a of Law 4174/2013. This audit is ongoing and the relevant tax certificate is expected to be issued after the publication of these financial statements. If, by the time the tax audit is completed, additional tax liabilities arise, it is estimated that they will not have a material impact on the financial statements.

The Company has not made a relevant provision as the Management estimates that there will be no material impact on the financial statements in case additional tax burdens arise from future tax audits.

26. Significant Events After the Reporting Period

On December 10, 2024, Law 5164/2024 of the Ministry of Development was voted in Parliament, which incorporates the European CSRD Directive (EU) 2022/2464 into Greek law. According to Article 3 of that law, the concept of a public-interest entity includes for the first time all factoring companies. Based on the circular directive 17603 - 27-02-2025 of the Ministry of Development, which was issued on 27.02.2025, it is clarified that specifically for entities that were characterized "as of public interest" for the first time following the amendment of c. I' of Article 2 of Law 4548/2018 With Article 3 of Law 5164/2024, the obligation to establish an Audit Committee, to prepare and publish sustainability reports and any other obligation arising from their inclusion in the category of public interest entities, do not relate to the financial year 2024.

The Board of Directors was constituted as a body at its meetings of 01.04.2025 and 02.05.2025 on the basis of which the resignation of the former Independent Non-Executive Member Mr. Iordanis Hatzikonstantinou, the election of the new Independent Non-Executive Member Mr. Theodoros Karakasis, the appointment of the latter as Chairman of the Board of Directors and the appointment of Mr. Georgios Kourletakis as Vice Chairman were accepted. Also, during the meeting of the Board of Directors on 16.06.2025 Council, the resignation and replacement of the Non-Executive Member Mr. Georgios Xifaras was accepted.

Finally, the Company received approval for the issuance of a new bond loan of total nominal value of €70,000,000 with the parent company Attica Bank S.A. as the bondholder.

There were no other subsequent events that materially affected the financial position or operation of the company.

Athens, June 16, 2025

The Chairman of the Board of Directors

The Chief Executive Officer

Theodoros Karakasis
ID No: AB 328079

Michael Michaelides
Passport No: K00370602

The Head of Accounting
Athanasios Konstantinopoulos
No. Class A License 65219

ACPM Accounting and Tax Solutions
LICENSE NO. O.E.E. 882

