NBG FACTORS

Annual Financial Report
31 December 2021
in accordance with the International Financial Reporting Standards

Athens, June 2022

Table of contents

Board of Directors Annual Report

Board of Directors Annual Report on the Financial Statements of Ethniki Factors Single Member S.A. for the financial year 2021

According to the provisions of Company's Act and Company's Articles of Association, the activities of the Company during its twelfth financial year which covers the period from 1 January to 31 December 2021 are presented below.

Company's strategy for the period from January 1 to December 31, 2021 was substantially focused on strengthening and broadening clientele basis, with a more flexible and efficient operating model, based on the adoption of innovation and digitalization in operating activities. Moreover, Management forced effort in order to provide the appropriate factoring solutions tailored to customer needs, who are continuing facing short-term liquidity issues due to COVID-19 pandemic.

On 31 December 2021 Company's net loans and advances to customers amounted to €578,201.3 thousand, recording a significant increase of 24.9%, compared to the corresponding figures of fiscal year of 2020, were reached to €462,991.9 thousand, despite the continuing negative effects of the COVID-19 crisis. Total factoring volume amounted to €3,429,009.4 thousand against €2,851,251.3 thousand in 2020 resulting a remarkable increase of 20.3% accordingly. Profit before tax for the period amounted to €13,680.1 thousand against €12,551.3 thousand in 2020 (increase 9.0%) mainly due to the significant development of net commission income resulted in total an increase of 14.5% against 2020 (2021: €8,553.4 thousand compared to €7,425.5 thousand of 2020). For the same reason profit after tax reached to €11,239.8 thousand against €9,438.6 thousand in 2020 resulting an increase of 19.1%

Company's capital adequacy is being monitored by Bank of Greece which is responsible for collecting necessary reporting data, in accordance with the Bank of Greece Governor's Act 2651/20.1.2012. The calculation of capital adequacy, from 1 January 2010, regarding Factoring Companies is carried out under the monitoring framework of Basel II.

According to Executive Committee's Act of Bank of Greece 193/2/27.09.2021 (Government Gazette B '4642) Chapter A par. 2 the regulatory total equity may not be less than the minimum initial capital required for the establishment of factoring entity, which amounts to €4,500,0 thousand. The Company was fully complied with the above provision for 2021 and 2020 accordingly.

In 2021 the Company's capital adequacy ratios of basic and total equity amounted to 17.76% against 20.17% in 2020.

The Company during its thirteenth financial year charged additional credit provisions on individual basis of €7.0 thousand whereas reversed credit provisions on collective basis amounted to €1,232.7 thousand due to the improvement of the financial conditions and the parameters in the ECL calculation model. Total credit provisions charged in statement of financial position amounted to €2,627.8 thousand. Management believes that the accumulated allowance for loan losses clearly reflect the real situation as at 31 December 2020.

The Company's net interest income in 2021 amounted to €9,307.1 thousand against €9,635.3 thousand of 2020 slightly decreased to 3.1%, mainly due to the continued de-escalation of lending rates to corporate clientele, while on the contrary, net commission income reached at €4,937.2 thousand against €4,313.3 thousand of 2020 resulting in a significant increase of 14.5%, reflecting the considerable effort on business expansion during the fiscal year of 2021. As a result, total income amounted to €14,726.7 thousand against €13,563.5 thousand of 2020 recording in total an increase of 8.6%. Total expenses, amounted to €2,272.4 thousand (increase 2.3%) of which €1,023.0 thousand (increase 2.5%) relate to personnel expenses and the remaining amount of €1,249.4 thousand (increase 2.1%) relates to other administrative and operating expenses (premiums, marketing expenses, third party expenses, depreciation of property & equipment , amortization of intangible assets etc). Thus the total expenses (excluding credit provisions) over the total income ratio reached 15.4% compared to 16.4% in 2020.

Going Concern

The Company as a 100.0% subsidiary of the National Bank of Greece maintains significant synergies both with its parent Bank and also with the other companies of the NBG Group. Those synergies mainly relate to a) Company's funding for new factoring financing, b) business development and client credit assessment and c) various operational issues. As a result the Company highly correlates its operations to its parent Bank strategy.

As at 31 March 2022, parent Bank funding from the ECB through longer-term refinancing operations (''LTROs'') amounted to €11.6 billion remaining essentially unchanged compared to 31 December 2021. Additionally, as at 31 March 2022, parent Bank interbank transactions with foreign financial institutions amounted to €1.0 billion, while liquidity buffer at cash values amounted to €24.5 billion, with the LCR and NSFR ratios well above 100%.

Board of Directors Annual Report

Macroeconomic developments

Global economic activity remained closely linked to pandemic developments in 2021, with GDP increasing by +5.9% from -3.1% in 2020, according to International Monetary Fund (World Economic Outlook, January 2022), on the back of easing restrictions and the roll-over of vaccinations against COVID-19. The fully vaccinated share of the population is circa 72% for high-income countries, compared with around 6% for low-income countries. On a regional basis, strong growth rates were recorded in all main economies, due to ultra-accommodative fiscal and monetary policy..

Vaccination coverage increased to 72% of the total population in January 2022 (over 80% of the adult population), from c. 60% in September 2021, compared to an EU average of c. 74%. In late-January 2022, there are also some signs of a slowdown in the pace of infections caused by the surging Omicron variant (c. 18K new COVID-19 cases, daily, compared to over 30K in the period between end-December 2021 and early-January 2022). Nonetheless, losses of human lives remain substantial, with the 7-day rolling average at c. 105 per day at the end of January 2022, the highest pace since the onset of the pandemic, exemplifying a highly persistent pressure on the health system. A limited number of protective measures on service activities, especially on entertainment venues and restaurants (such as earlier closing time) enacted in late-December 2021, have been lifted in late-January 2022. The baseline scenario envisages a waning impact of the pandemic on economic conditions in 2022, assuming no major recurrence of the pandemic pressure due to the emergence of more dangerous COVID-19 variants.

The strong momentum of the Greek economy in 2021 and its resilient fundamentals have been proved sufficient to counteract, until 1Q.2022, the pressure from increased COVID-19 infections, due to the Omicron variant, and accelerating inflation, on the back of persistent disruptions in global supply chains following the eruption of the Ukraine crisis in late-February 2022. Gross Domestic Product (GDP, in constant prices) data for FY.2021 confirmed the strength of economic recovery, with GDP growth at 8.3% y-o-y (+7.7% y-o-y in 4Q.2021), reflecting that economic activity has largely bounced back to its pre-pandemic level. This solid performance was underpinned by a synchronized strengthening in all major GDP expenditure components, with private consumption and fixed capital investment accounting for the major part of the overperformance, and has been translated to an average carryover effect on FY.2022 GDP growth of 1.6 pps.

As regards economic activity trends in 1Q.2022, information from several high-frequency indicators from the labor market, business surveys, business turnover, international arrivals by air, industrial production, google mobility trends and tax revenue data showed that economic recovery continued at a broadly stable annual pace as in 4Q.2021, despite the increased macroeconomic and geopolitical headwinds. Specifically:

- Business turnover increased by 35% y-o-y, on average, in the first two months of 2022 (c. €12 billion higher), exceeding by 22% (c. €8 billion) its pre-pandemic level in 2M.2019, bolstered by the resilient economic sentiment and the impulse from the strong growth in household disposable income of 4.0%, in real terms, in FY.2021 as well as from positive base effects due to COVID-19 restrictions in 2M.2021.

- Economic sentiment (ESI) and manufacturing PMI remained close to 20-year highs in 1Q.2022, while industrial and manufacturing production increased by 4.2% and 4.8% y-o-y on average, reflecting strong current production trends and resilient orders from the domestic and external markets.

- Labor market responsiveness to the rebound in economic activity has been particularly strong, with the unemployment rate remaining at an 11-year low in the first two months of 2022 and employment growth spiking to 10.6% y-o-y, exceeding by 5.5% its pre-pandemic level in 2M.2019.

- Early signs of tourism activity in 2022 have also been very encouraging, with the strong international demand, especially from key tourism markets for Greece (EU, UK and US), remaining largely unaffected by the crisis in Ukraine. International arrivals at Athens International Airport (AIA) edged closer to their respective 2019 levels – 60% on average in 1Q.2022 or up by 430% y o y, compared with 11% in 1Q.2021, and at 80% in April 2022 (compared to April 2019). Revenue prospects are even more buoyant, with current estimates suggesting that about €4.5 billion (2.5% of GDP) of the €7.2 billion gap of 2021 (compared to 2019) could be regained in 2022, on the back of rising prices of services and increased firms' pricing power in this sector.

- Tax revenue rose by 15% y-o-y in 1Q.2022, pointing to resilient underlying activity growth adjusted for the inflation impact.

Overall, the Greek economy entered 2022 on a firm footing, with GDP growth estimated to continue at a healthy pace of 3.1% in 2022 and 4.1% in 2023 according to the NBG baseline scenario. Nonetheless, increased pressure from higher-than-initially-expected inflation on disposable income and firms' production costs poses downside risks to economic activity, despite the presence of significant offsetting factors. Indeed, business and consumer survey data for April started to reflect a more sizeable negative impact of inflation and risks related to increased geopolitical tensions and, possibly, more protracted increases in energy and non-energy commodity prices globally. Consumer confidence recorded the largest loss, dropping to the lowest point since July 2017 and bringing ESI to an 1-year low, suffering the most direct hit from surging consumer price (CPI) inflation which increased to a new 27-year high of 10.2% in April 2022 from 7.4% on average in 1Q.2022. Manufacturing PMI weakened modestly to a still expansionary level of 54.7, on average, in March-April 2022, despite the increased pressure from surging costs, shortages and sharp price increases in energy, raw materials and other production inputs. Nevertheless, risks related to increased geopolitical tensions started to weigh significantly on output expectations and client demand. Inflation pressures are unlikely to decelerate until 2H.2022, as the pass-through from energy, non-oil import and producer prices – which spiked further in March-April 2022 – is expected to continue into 3Q.2022.

However, downside pressures on household disposable income are partly cushioned by the activation of new support measures against the energy crisis, which are projected to amount to €4.3 billion (2.2% of GDP) in 2022, in gross terms, according to Greece's Stability Programme for 2022. This support will be combined by a significant increase in the economy-wide minimum wage of 9.7% (2% since January 2022 and 7.7% from May 2022 onwards) legislated by the Government, which is expected to be translated to an average wage increase of c. 3%, as well as by an increase in employment of 3.3% y-o-y according to the NBG baseline scenario, with new hiring in tourism-related activities accounting 2/3rds of the increase.

Moreover, the support from RRF and public investment activity in general will remain sizable, with €3.6 billion of RRF funds already received in 4M.2022, following a disbursement of €4.0 billion in pre-financing in 3Q.2021. Accordingly, public investment spending (including RRF) is expected to reach an 18-year high in 2022.

The fiscal overperformance in 2021 reached 2% of GDP, in terms of a lower-than-targeted General Government primary deficit, providing the required fiscal space to finance the new support measures in 2022. The General Government deficit decreased to 5.0% of GDP (the respective Budget 2022 estimate for primary deficit in 2021 was 7.0% of GDP), following a deficit of 7.2% of GDP in 2020. This overperformance reflected a higher-than-expected growth in Government revenue, lowered needs for COVID-related support in 2021 and the strong cyclical turnaround in 2021. In this vein, the General Government debt declined sharply by 13% of GDP, to 193.3% of GDP in 2021 from 206.3% in 2020 – significantly lower than the Budget 2022 estimate of 197.1% of GDP – and is expected to fall further to 180.2% of GDP in 2022, according to Greece's Stability Programme for 2022. This improvement along with additional progress in structural reforms and the significant decline in NPEs in the Greek banking system supported the upgrade of Greece's sovereign rating by one notch, to BB (high) and BB+ (stable outlook) from BB, by DBRS and S&P on 18 March and 22 April 2022, respectively. For 2022, the primary deficit estimate has been revised upward to 2% of GDP in the Stability Program from 1.4% in Budget 2022, in order to incorporate the cost of additional support, which is partly financed by the sustainable part of the 2021 overperformance.

However, 1Q.2022 marked the turning point of an unprecedented cycle of monetary policy easing by the ECB and other major central banks worldwide. Rapidly increasing inflation and solid economic recovery until 1Q.2022 set the stage for a gradual withdrawal of extraordinary support measures due to COVID-19, with net purchases of securities under the ECB's Pandemic Emergency Purchase Programme (PEPP) ending in end-March 2022. The ECB stated that the re-investment of funds from maturing bonds will continue until at least the end of 2024 and will be used with increased flexibility, in order to avoid disruptions in monetary policy transmission, whereas announced in April 2022 that Greece's sovereign securities will continue to be accepted in refinancing operations. Nonetheless, fixed-income markets responded strongly to the signal of monetary policy reversal, which has been followed by a further increase in inflation, with the yield of the 10-year Greek Government bond increasing by 2.3 pps between January and May 2022, to a 2-year high of 3.6% in early-May, whereas the yield of the German bund increased from -0.1% to 1.1% – the highest point since August 2014 – in the same period. Official and market-based estimates of future interest rates tend to discount cumulative hikes in the ECB deposit facility rate of 50 to 75 bps until the end of the year.

Downside risks, mainly, relate to the following factors:

- Accelerating inflation will inevitably push further upwards production costs for business through rising energy and input prices. Low expectations for a diplomatic breakthrough in Ukraine in 2Q.2022 increase the pressure on EU countries for a rapid and, possibly, costly disengagement from Russian energy supply, which will lead to a significantly slower-than-previously-expected decline in energy prices in the coming quarters as well as in 2023. Moreover, the announcement of new lockdowns at a regional level in China aggravates worries about new disruptions in global supply chains.

- Additional pressure on monetary authorities to speed up the withdrawal of very accommodative policy measures, as inflation increased to 40-year highs in most developed economies, has already led to a relatively fast increase in government and corporate bond yields and high exchange rate volatility worldwide which could intensify further.

- Weakening of economic growth, due to a combined erosion of disposable income from inflation and of economic sentiment from heightened risks related to increased geopolitical tensions and retaliatory sanctions, particularly those affecting the energy sector. Although the direct economic exposure of the Greek economy to the crisis zone (Russia, Ukraine) remains low, the energy factor represents a significant risk for economic growth in Greece and the euro area as a whole, whereas a prolonged increase in geostrategic risks could impose significant pressure to the performance of other sectors of economic activity, including tourism.

• Additional geopolitical and financial shocks could increase risk aversion, leading to a deferral of private spending decisions – especially for new investment on fixed capital – and posing pressure on collateral values.

• The risk of emergence of new more contagious COVID-19 variants, which could interrupt the upward trend in economic activity, halting tourism recovery and having significant macroeconomic impact in the absence of additional fiscal support, still exists.

For a list of measures that have been adopted in 2021, in order to provide support to he Greek economy in dealing with COVID-19, see below "Response to COVID-19 crisis".

Going concern conclusion

Management of the parent Bank concluded that a going concern issue does not exist after considering (a) the current level of European Central Bank ("ECB") funding mainly from Targeted Long-term Refinancing Operations ("TLTROs") and the current access to the Eurosystem facilities with significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") well above 100%, (b) the parent Bank's and the Group's CET1 ratio of 31 March 2021 which exceeded Supervisory Review and Evaluation Process "SREP" requirements, (c) the unprecedented response to Coronavirus ("COVID-19") from European and Greek authorities to provide both fiscal and monetary support and d) the insignificant exposure to Russia and the Ukraine and Management's actions with respect to the crisis.

Management of the Company taking into account the strong profitability, the capital adequacy ratio, the positive cash flows from operating activities and the fact that the parent Bank prepares its financial statements with the going concern assumption, that is well positioned to adequately support its business plan over the coming year (2022) and for this reason prepared its own financial statements on a going concern basis.

Management actions during 2021 and for the first five months of 2022

As stated above, during the thirteenth financial year Company's strategy was substantially focused on strengthening and broadening clientele basis, aiming to offer suitable factoring solutions tailored to customer needs, who are continuing facing short-term liquidity issues due to COVID-19 pandemic.

The Company's course of business is mainly developed through notificated Factoring aiming to provide customers liquidity while maintaining credit risk in acceptable low levels. From total factoring turnover, approximately 75.6% concerns notificated Factoring (i.e. €2,593,374.8 thousand of a total €3,429,009.4 thousand), a fact which certifies the significant acceptance of product in domestic and international market, respecting the credit protection of the Company against risks arising from third party rights.

Company's turnover related to international factoring amounted to €689,105.9 thousand against €615,869.3 thousand of 2020 recording an increase of 11.9% reflecting the effort to expand export activities and strengthen cooperation's with strategic clients. As a result export factoring turnover reached to 20.1% of total turnover compared to 21.6% of 2020. Moreover, an amount of €594,293.9 thousand (2020: €528,164.7 thousand) relates to direct export factoring and €94,812.0 thousand (2020: €87,704.6 thousand) relates to factoring was executed via the two-factor system.

Moreover, regarding credit risk against debtors, 64.7% of the total factoring turnover (i.e. €2,219,384.7 thousand) concerns Factoring with recourse and 35.3% concerns Factoring without recourse. It is also be noticed that for a significant part of the credit risks against debtors the Company maintains cooperation with a credit insurance company to mitigate those risks.

Finally, out of total Company's turnover, reverse factoring turnover amounted to €180,060.9 thousand against €151,500.9 thousand of 2020 resulting an increase of 18.9%.

In first months of 2015, Company also applied a detailed pricing model for corporate customers, while have been optimized during 2021.

During 2021 the NBG Group Internal Audit Division performed internal audit to Finance Division of the Company. The reports of the aforementioned audits and the progress on findings' settlement are periodically communicated to Board of Directors.

Also, within 2021, the Company maintained the credit facilities with the European Bank for Reconstruction and Development ("EBRD") and Black Sea Trade and Development Bank ("BSTDB"). More information about the aforementioned credit facilities is stated to Note 16.

At the operational level, the upgraded e-factoring platform was activated during October 2021, which is available through the "single-sign on" process to (i-bank) services of NBG, offering both to the suppliers (assignors), and debtors (buyers) the ability of instant access and managing their accounts in real time, in a secure and in a "user-friendly" environment. Moreover, the Company has carried out significant tests and adjustments by implementing upgraded procedures for interconnecting its infrastructure with customer ERP's, which have adopted e-billing in order to increase productivity, reduce operational risk and operating costs.

In the context of the significant development of activities in Northern Greece, the Company established an office in Thessaloniki within 2019, which is located in parent bank headquarters of financing Medium Corporates.

Since November 2009 the Company is, an inaugural member of Hellenic Factors Association represented in its Board of Directors. Furthermore, the Company is a full member of international factoring association "Factors Chain International" "FCI", since 2009, which counts more than 350 members in 90 different countries.

Factoring market evolution

According to Hellenic Factoring Association "HFA", during 2021 factoring turnover in Greece amounted to €17.7 billion against €14.4 billion of 2020 resulting in a significant increase of 22.9% reflecting the "dynamic" of the product as a financial tool to provide liquidity to corporate, despite the adverse economic conditions caused by the COVID-19 impact. However, it is noted, that the improvement of factoring turnover in Greek market is significant higher in relation to the improvement of the GDP. Regarding the distribution of factoring turnover in Greek market based on the criteria of domestic or international Factoring, with or without recourse and notificated or non notificated, 85.8% concerns domestic Factoring (2020: 86.6%), 56.1% refers to Factoring with recourse (2020: 61.1%), and the notificated Factoring occupies 80.3% of the total turnover (2020: 78.1%). For 2021 Ethniki's Factors market share stood to 19.4% against 19.8% of 2020 remains essentially stable.

According to "EU Federation for the Factoring and Commercial Finance Industry" "EUF" factoring turnover in Greece reached to 9.7% resulting a significant increase compared to 2020, were reached to 8.0%. The positive trend in factoring market despite the negative impact of COVID-19 crisis to major sectors of economy reflects the strong demand for factoring as financial instrument providing continuous liquidity and exploitation of total assets.

For 2021 the global market according to "FCI" preliminary data managed significant increase of 12.6% in factoring turnover amounted to €3.07 trillion, (2020: €2.72 trillion). Regarding the European market, according to EUF data, the total turnover increased by 14.0% to €2.03 trillion against €1.78 trillion of 2020. However, it is noted, that due to the comparatively larger contraction of the size of European Union economies, factoring turnover increased as a percentage of GDP penetration and stood at 11,4% (2020: 12.0%). As far as Greece, this indicator remains low compared to the corresponding average of the European Union, with a major improvement in 2021 amounting to 9.7% from about 8.5% in 2020.

Response to COVID 19 crisis

In the first quarter of 2020, the World Health Organization declared the outbreak of COVID-19 pandemic. Two years after the outbreak of the COVID-19 pandemic, the global environment remains impacted by the unprecedented crisis. The measures introduced by governments and regulators to tackle the pandemic have affected global supply chains as well as demand for goods and services and therefore had a significant impact on global growth. At the same time, fiscal and monetary policies have been eased to sustain the economy and the deployment of vaccines in 2021 has also greatly contributed to sustaining the economy.

The Company evaluated its assets, including intangibles, for potential impairment, and assessed fair values of financial instruments that are carried at fair value. Based on our assessment as of 31 December 2021, no significant impairments have been recorded, and there have been no significant changes in fair values and in fair value hierarchy classifications as a result of the COVID-19.

Key Focus on Employee, Customer Support, in response to COVID-19 crisis

Company's primary importance and key priority was the health and safety of its employees, as well as, ensuring the servicing of customers without disruption. This was achieved through the cooperation with parent Bank "Management Crisis Committee" and other related departments. Main measures were taken summarized as follows:

Work remotely access

With parent Bank IT Department assistance our employees were able to work remotely, in order to decongest critical site-based operations. More specifically, more than c. 50% of our staff have been working remotely throughout the pandemic, with the percentage exceeding c. 80%, efficiently and cyber-securely.

Health and safety of employees

- Cooperation with the parent Bank "Measures Taking Committee" which convenes on a daily basis, comprising of parent Bank senior executives as well as a dedicated Bacteriologist - Clinical Pathologist with specialized knowledge on COVID-19.
- Ensuring required protective and cleaning material.

- Issuing multiple communications to educate the staff on COVID-19, providing instructions on how to protect themselves, communicating limitations in traveling and meetings, informing them on the process to follow in the event that they feel ill or believe they have been in contact with the coronavirus.
- Accessing to parent Bank internal electronic platform for the declaration of vaccination COVID-19 disease certificates as well as negative results of diagnostic tests by the staff. It is noted that the vaccination status of our employees reached to 100%, while at the same time we ensured the compliance with the respective Government Directives.
- Receiving the ongoing support of the Mutual Health Fund of NBG's Personnel ("TYPET") in relation to the performance molecular tests ("PCR") on the Company's staff, in the context of the daily incident management.

Operations

- Guidelines of the implementation of Business Continuity Plan.
- Ensuring uninterrupted operations by redesigning critical processes and by implementing controls to facilitate remote work while mitigating emerging risks.
- Posting instructions for customers (suppliers) and debtors (buyers) on the Company's website (http://www.nbgfactors.gr/Content/Files/pdf/COVID-19.pdf).
- Adoption of digital signatures for Company's legal representatives.
- Operational risk management in accordance with the Operational Risk Management Program, and Business Continuity Plan.

Corporate Social Responsibility

- Donation of € 35,000 to the Ministry of Health for masks & vaccine storage boxes

Response to COVID-19 crisis from Greek authorities

In response to the economic and market conditions resulting from the COVID-19 pandemic as continued in 2021, the Greek government has further provided, among others, the following measures:

Financial state aid measures

The measures for the qualifying businesses include:

- The granting of a new State loan ("Repayable Advance") which is conditioned upon turnover loss in March until August 2020, where the total amount that was granted for the first three phases amounted to €3.5 billion. Phase 4 took place during November and December 2020 and amounted to €2.2 billion. Phases 5 and 6 took place during 1Q.21 and amounted to €0.8 billion. Phase 7 took place during May 2021 and amounted to €0.2 billion. In February 2022, it was clarified that the repayment of the Repayable Advance is interest free. In addition, a grace period is provided for the period up to 31 May 2022 during which there is no obligation to repay any part of the Repayable Advance. After the grace period, the repayable amount is payable in sixty (60) equal interest-free monthly instalments, payable on the last working day of each month. Alternatively, there is an option to repay the total amount in one lump sum payment with a 15.0% discount by 31 March 2022.
- Financial aid of €25 million to aquaculture businesses (June 2021).
- Providing public service contracts up to €50 million to short sea shipping companies affected from COVID-19 from 23 December 2020 to 30 May 2021.
- Financial aid of €20 million to businesses dealing in pigs and honey (July 2021).
- Financial aid of €24 million to agricultural businesses (September 2021).
- Financial aid of €20 million to cultural enterprises, specifically theaters, music stages, dance theaters, concert halls, performance halls as well as cinemas and film distributors (December 2021).
- Special program by the Public Investment Program to support entities significantly affected by COVID-19. Eligible sectors include but are not limited to: Organisation of conferences and trade exhibitions, Events organisation, Event catering services, Dance schools and Nightclubs. The amount of the aid is 8% of the 2019 sales turnover capped at €400,000, for qualifying entities, i.e., entities with more than 50% reduction of turnover in 2020 in comparison with 2019.

Tax measures

The measures for the qualifying businesses and the individuals that were affected by the COVID-19 crisis include:

- The payment of tax obligations arising during the period from 1 January 2020 to 27 April 2021 was extended until 31 December 2021.
- Extension of Value Added Tax ("VAT") payments due during November 2020 to 30 April 2021.
- Reduction of the VAT on certain goods and services from a rate of 24% to a rate of 13% for the period from 1 June 2020 to 30 April 2021 and reduction of the VAT to 6% from 24% for sanitary products (masks, gloves, etc.) until 31 December 2021.
- Relief from import duties and VAT exemption on importation granted for goods needed to combat the effects of COVID-19 until 31 December 2021 for legal persons or individuals, provided, however, that such items shall be made available free of charge to beneficiaries specified.
- Extension of payment of tax and Social Security Contributions ("SSC") due in April 2021 for qualifying businesses.
- Subsidy of fixed costs incurred from 1 April 2020 to 31 December 2020 for qualifying businesses, which can be used to repay tax or SSC obligations for 2021 due from 1 July to 31 December 2021.
- Extension of tax obligation payments settlement instalments due on 31 May, 30 June, 31 July 2021, and January 2022 for qualifying businesses and qualifying employees.
- Extension of one month for the deadlines of all monthly instalments of SSC settlements for qualifying businesses due on 30 June 2021 onwards.
- Tax obligations verified during the period from 1 March 2020 to 31 July 2021, can be paid in up to 72 monthly instalments with an interest rate of 2.5% per annum. The first instalment must be paid by 28 February 2022.

Labor protection measures

- Special allowance given to a) tour guides for March, April and May 2021, b) artists extension for May, June and July 2021 and c) increased special allowance for qualifying small and very small businesses for April 2021.
- Special allowance of 400 Euros for self-employed and freelancer scientists, such as engineers, lawyers, economists etc., meeting specified criteria announced in April 2021.
- Extension of unemployment benefit for April 2021 and May 2021.
- Extension of payment of disability pensions and cash benefits to persons with disabilities up to 31 January 2022.
- Special seasonal allowance of OAED and the coverage of SSC will be given to qualifying employees of culture and tourism industry for 2021.
- Special allowance of €534 for January of 2022 for qualifying artists.
- Suspension of employment contracts with special allowance (534 Euros) for employees of qualifying businesses in January 2022.
- Employees' who test positive for COVID-19, are able to be absent from work provided that they have performed a rapid test. In case the employee wants to use a sick leave and receive a relevant allowance a medical opinion is required.
- Employees are able to work remotely for five days, in case their child is positive for COVID-19 and if this is not possible, they are entitled to use a special leave due to illness of their children, granted for the first 4 days of absence. For the 5th day of absence, they can use any other leave.

The Company believes that the above-mentioned measures implemented or announced by Greek authorities assist its customers meet their financial obligations.

Hellenic Factors Association

The Board of Directors of the Hellenic Factoring Association receiving information and know-how from national factoring associations of European countries and in collaboration with Greek Government and domestic business associations, examines the contribution of factoring in order to relief the effects on the economy from COVID-19 impact. Moreover, in correspondence with the aforementioned associations, is in progress continuous communication regarding investigation, planning and implementation of actions and initiatives aimed at relieving businesses from the effects of COVID-19 pandemic.

Events after the reporting period

Ukraine crisis

On 24 February 2022, Russia invaded Ukraine where in addition to the humanitarian crisis it has caused in the region, it has had negative economic consequences for the global economy mainly through higher energy and commodity prices that have fueled higher inflation which has produced weaker confidence in households and business. The extent of these effects will depend to a great extent on how the conflict evolves. The invasion also escalated tensions between Russia and the U.S., NATO, the EU and the U.K. The US has imposed and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions implemented by the EU and the U.K. and other jurisdictions. In the first quarter of 2022 the U.S., the EU and the U.K., each imposed packages of financial and economic sanctions that, in various ways, constrain transactions with numerous Russian entities and individuals; transactions in Russian sovereign debt; investment, trade and financing to and from certain regions of Ukraine. The Company in cooperation with parent Bank has taken all necessary measures to comply with sanctions imposed by the competent authorities. Management is closely monitoring the developments and assessing periodically the impact that these may have on the Company's operations and financial position.

The Company has no any direct exposure to the aforementioned countries. Moreover, parent Bank has an insignificant exposure in any positions in securities, interbank transactions (secured or unsecured), derivatives, or commercial transactions, related to Russia or Ukraine, or to the Ruble, or with any Bank or subsidiary that is domiciled in these countries. Parent Bank retail exposure is also extremely limited.

The parent Bank also examined indirect exposure through its corporate loan portfolio. Corporate clients that were analyzed had one of the following characteristics:

• Business Activity: Companies that sell their products/services in the affected countries or have local presence through subsidiaries/ branches

• Supplier(s): Companies with key suppliers in the affected countries

• Shareholder(s): Key shareholder(s) or final beneficiary or other key stakeholder is of Russian nationality/citizenship

Through this exercise the parent Bank determined that corporate clients that had a medium and high expected impact level due to the crisis in the Ukraine were not material to the corporate loan portfolio.

The Company, with parent Bank collaboration, ensures on continuing basis the appropriate infrastructure in order to prevent, detect, and mitigate cyber threats. Parent Bank has already in place a robust framework supported by experienced staff and appropriate IT infrastructure to minimize the probability of a cyber intrusion. From the onset of the crisis, parent Bank has proactively augmented this framework with a significant number of preparedness and security enhancement actions which will help reduce the impact of any such attacks. Geopolitical tensions in Ukraine, remain a source of uncertainty, for European and World economy in general. Specifically, a wide-ranging package of sanctions imposed to Russian banks, companies and individuals, the expulsion of Russian Banks from the SWIFT financial messaging system, the shutdown of EU airspace for Russian aircrafts are expected to have a significant impact on the energy sector, while the prolonged increase in geostrategic risks imposes significant pressure on the performance of other sectors of economic activity, including tourism. Preliminary estimations indicates that these events will negatively affect the course of European GDP.

Risk Management

The Company adopts the Risk Management Policies of the NBG Group. National Bank of Greece Group operates in a fast growing and changing environment and acknowledges its exposure to banking risks as well as the need for effective risk management. Efficient risk management and control reflect NBG Group commitment to achieve high returns for its shareholders.

Credit Risk

Credit risk arises from an obligor's (or group of obligors) failure to meet the terms of any contract established with the Company. Ethniki Factors faces a concentration of credit risk as far as cash and cash equivalents and loans and advances to customers arising from factoring contracts. This is the most important risk for the Company. Credit risk processes are conducted in cooperation with parent Bank under the framework of the contractual management of this risk. The credit risk procedures established for the Company are coordinated by the Group Risk Control & Architecture Division. The Group's credit granting processes include:

- Credit-granting criteria based on the particular target market, the borrower or counterparty, as well as the purpose and structure of the credit and its source of repayment.
- Credit limits that aggregate in a comparable and meaningful manner different types of exposure, at various levels.

- Clearly established procedures for approving new credits as well as the amendment, renewal and re-financing of existing credits.

The Group maintains on-going credit administration, measurement and monitoring processes, including in particular:

1. Documented credit risk policies.
- Internal risk rating systems.
- Information systems and analytical techniques that enable measurement of credit risk inherent in all relevant activities.

The Group's internal controls that are implemented for the credit risk related processes include:

- Proper management of the credit-granting functions.
- Periodical and timely remedial actions on deteriorating credits.
- Independent, ongoing assessment of the credit risk management processes by Internal Audit, covering in particular the credit risk systems/models employed by the Group.

Operational risk

Operational risk is defined as the current or future risk on the Company's earnings and capital arising from inadequate or ineffective internal procedures, from insufficient management of Human Resources or from external factors.

The Company, acknowledging the importance of operational risk, has established and maintained a firm wide and effective, high quality framework for its management.

The Company has outsourced to its parent Bank responsibilities related to operational risk management. Since 2010, the Company has developed an Operational Risk Management Framework (ORMF) considering qualitative and quantitative criteria of Standardized Approach.

During 2020 the annual cycle of ORMF was implemented through parent Bank relevant application.

Especially, in the context of ORMF implementation conducted the following procedures:

- The identification, assessment and monitoring of operational risks (Risk Control Self-Assessment "RCSA").
- The determination of Action Plans for their mitigation.
- The collection of operational risk loss events.

Liquidity risk

Liquidity risk is defined as the current or prospective risk to earnings and capital arising from the institution's inability to meet its liabilities when they come due without incurring unacceptable losses.

It reflects the potential mismatch between incoming and outgoing payments, taking into account unexpected delays in repayments (term liquidity risk) or unexpectedly high outflows (withdrawal/call risk). Liquidity risk involves both the risk of unexpected increases in the cost of funding of the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner and on reasonable terms.

The Company's principal sources of liquidity are from subordinated bond loans agreements and overdraft accounts with its parent Bank.

Corporate Social Responsibility

Ethniki Factors with respect to the society in which it operates, has included as its main goal in its strategy to act responsibly and to support actions aimed to relieve less privileged social groups.

In this context, the company cooperates with organisations, foundations and bodies with important and long-standing achievements to demonstrate in this line at both local and collective level.

The Company since April 2014, has developed and implemented actions of Corporate Social Responsibility regarding donations, sponsorships and charitable contributions, aiming at ensuring high level of ethics on donations, complying with the applicable legal and regulatory, as well as adopting procedures that promote transparency in Company's donations. It should be noted that all actions are approved by the Board of Directors and completed in cooperation with parent Bank and especially with Corporate Governance and Corporate Social Responsibility Department of NBG Group.

The Company shall not undertake and/or participate in actions to support political organizations, parties or movements.

Furthermore, in accordance with international best practices related to donations, sponsorships and other related actions and in compliance with the provisions of Article 6 of Greek Law 4374/2016 regarding transparency in the relationships between banks and media companies and sponsored persons, the Company discloses information on all payments made within the relevant fiscal year, to media companies and sponsored persons. In the context of compliance with the above policy, the Company reports analytically the donations to NBG Group on a quarterly basis.

The Company during 2016-2022 donated €178,386 to the following non-profit organizations:

Date	Actions of Corporate Social Responsibility	Amounts in €
February 2016	Medical care and humanitarian aid at frontier islands of the Eastern Aegean via the crowdfunding program of the online platform act4Greece	4,000
February 2016	‘’Digital Archive’’: Creation of an online educational and research platform on the Greek Revolution 1821 via the crowdfunding program of the online platform act4Greece	4,000
April 2016	Support of research and educational needs of the A’ Psychiatric Clinic of the University of Athens / Department of Psychotherapy Center	4,000
May 2016	Donation to Chatzikiriakeio Foundation of Child Support	4,000
May 2016	Donation to voluntary non-profit organization of mother and child protection ‘’Ark of the World’’	4,000
March 2017	Construction of a model playground for children with vision problems and additional disabilities in Amymoni via the crowdfunding program of the online platform act4Greece	4,000
March 2017	Support of Hellenic Book Club’s initiative with creation of quality lending libraries in 20 Greek schools via the crowdfunding program of the online platform act4Greece	3,000
March 2017	Provision of school meals to primary schoolchildren in the Municipalities of Trikala and Kavala via the crowdfunding program of the online platform act4Greece.	8,000
December 2017	Renovation works and furnishing of Pedopolis – Vocational School ‘’Agia Varvara’’of the Center of Social Welfare of Attica	15,000
March 2018	‘’I Care & Act’’: Educational visits for experiential volunteer actions via the crowdfunding program of the online platform act4Greece	15,000
March 2018	Epikentro: Supporting vulnerable social groups in the municipality of Athens via the crowdfunding program of the online platform act4Greece	5,000
December 2018	Donation to Standard National Nursery School of Kallithea	20,000
December 2019	Publication of the calendar for 2020 of the Association of Shareholders of National Bank of Greece	3,000
December 2019	Coverage of material and technical equipment in PC of Gymnasium. Anafi island	5,800
January 2020	Educational & Cultural Association "To Anthos" and Hellenic Society for the Protection of Autistic People	500
April 2020	Supply of 14,000 FFP2 type masks to National Health System	30,100
June 2020	Support for the charity project Association of Friends of Children with Cancer "Storgi"	5,000
November 2020	Earthquake support of the Municipality of Eastern Samos	300
February 2021	Supply (1,400) of new 40-seat statos, (1,400) of new internal cartons (boxes) and (95) complete isobox OPT322323VX20 (80 vials) to the National Health System	4,986
February 2021	Association of friends of children with cancer "Elpida"	400
March 2021	"Ark of the World" non-profit organization for special care and protection of mother and child	1,000
August 2021	Donation to voluntary non-profit organization ‘’Merimna’’	300
November 2021	Supply of a school bus for the intermunicipal transportation of the students of the Special Primary School of Kilkis	20,000
May 2022	Donation to the UN Refugee Agency for protection assistance to Refugees from Ukraine	10,000
May 2022	Financial adoption program of a Brave Child of ELEPAP: access to therapeutic and pedagogical programs for one year	7,000
Total		**178,386**

Board of Directors Annual Report

2022 Perspectives

Overall, the Greek economy entered 2022 on a firm footing, with GDP growth estimated to continue at a healthy pace of 3.1% in 2022 and 4.1% in 2023 according to the Parent Bank baseline scenario. Nonetheless, increased pressure from higher-than-initially-expected inflation on disposable income and firms' production costs poses downside risks to economic activity, despite the presence of significant offsetting factors. Indeed, business and consumer survey data for April started to reflect a more sizeable negative impact of inflation and risks related to increased geopolitical tensions and, possibly, more protracted increases in energy and non-energy commodity prices globally. Downside risks, mainly, relate to the evolvement of the COVID-19 pandemic and, most importantly, to the persistence of energy-driven inflation shock, which is exacerbated by geopolitical risks, and could take a heavier -than-initially-expected toll on household disposable income, economic sentiment and business activity.

Considerable parameters that will determine factoring turnover entirely will be supply chain finance operations in receivables financing, the increase of credit risk due to the deterioration of the financial position of entities, and the consequent policy pursued by credit insurance companies where concerns the maintenance or limitation of debtors' insurance limits and the occurrence of fraud in commercial transactions. Part of the above effects are also expected to be negative on short term–basis for Greek economy and consequently Greek companies. Despite the inflationary trends prevailing in energy and commodities and taking into consideration the endurance shown by the industry during the years of economic recession in Greece, we consider that the total factoring turnover in 2022 will present positive trends.

Among the strategic goals of the Company for the financial year 2021 are the following:

1. To maintain the extremely low NPL's rate.
2. To expand factoring operations to existing or new clientele offering tailored solutions of working capital.
3. To facilitate entities, whose operations have been impacted by current circumstances and emerging strategic sectors.
4. To increase robust profitability and enhance market share.
5. To improve the cost to income ratio (C/I).
6. To develop international and selective reverse factoring activities in the direction of Supply Chain Financing solutions.
7. The continuous upgrading of internal procedures in order to optimize monitoring and minimize of financial and operational risks.
8. To invest in modernize IT platforms and processes in order to improve productivity.
9. To continue offering advanced e-services to business clientele, in order to maximize factoring transactions carried out digitally.
10. To focus on employees development and training according to international trends and modernized Factoring solutions and generally the Supply Chain Financing.
11. To adopt a policy and elaborate a strategy for more effective management concerning Environmental, Social and Corporate Governance Risks, the strengthening of the integration of the relevant operations in the Company and finally the compliance with the current regulatory framework.

Dividend Policy

The Management will propose to the Annual General Assembly of the shareholders to approve the appropriation of amount €562.0 thousand as a statutory reserve according to provisions of Law 4548/2018 and no distribution of dividend from current year profits.

Athens, 2 June 2022

The Chairman of the Board of Directors	The Chief Executive Officer
Charalampos Vovos	Alexandros Kontopoulos

[Translation from the original text in Greek]

Independent Auditor's Report

To the Shareholders of "ETHNIKI FACTORS SINGLE MEMBER S.A."

Report on the audit of the financial statements

Our opinion

We have audited the accompanying financial statements of "ETHNIKI FACTORS SINGLE MEMBER S.A." (Company) which comprise the statement of financial position as of 31 December 2021, the statements of total comprehensive income, changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2021, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017 and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

pwc

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at 31 December 2021 is consistent with the financial statements,

- The Board of Directors' Report has been prepared in accordance with the legal requirements of article 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report.

Athens, 3 June 2022
The Certified Auditor

PricewaterhouseCoopers S.A.
Certified Auditors
268 Kifissias Avenue
152 32 Halandri
Soel Reg. No 113

Marios Psaltis
Soel Reg. No 3808

Statement of Total Comprehensive Income
For the period ended 31 December 2021

Amounts in €	Note	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020
			As restated
Interest and similar income	4	15,819,717	16,410,616
Interest expense and similar charges	4	(6,512,631)	(6,775,366)
Net Interest Income		**9,307,086**	**9,635,250**
Fee and commission income	5	8,553,426	7,425,501
Commission expense	5	(3,616,257)	(3,112,153)
Net fee and commission income		**4,937,169**	**4,313,348**
Net trading income	6	482,441	(385,090)
Net Operating Income		**14,726,696**	**13,563,508**
Personnel expenses	7	(1,022,996)	(998,431)
General, administrative and other operating expenses	8	(1,123,012)	(1,112,855)
Amortization of intangible assets	12	(67,570)	(39,957)
Depreciation of property and equipment	13	(58,782)	(70,835)
Credit provisions		1,225,772	1,209,856
Total Expenses		**(1,046,588)**	**(1,012,222)**
Profit before tax		**13,680,108**	**12,551,286**
Tax expense	9	(2,440,316)	(3,112,658)
Profit for the period		**11,239,792**	**9,438,628**
Other comprehensive income, net of tax:			
Items that will not be reclassified subsequently to profit or loss:			
Employee benefits	19	112	(967)
Other comprehensive income for the period, net of tax:		**112**	**(967)**
Total comprehensive income for the period		**11,239,904**	**9,437,661**

Athens, 2 June 2022

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE MANAGER OF FINANCIAL SERVICES
CHARALAMPOS VOVOS No of Pol. Identity AK226323	ALEXANDROS KONTOPOULOS No of Pol. Identity X549459	PANAGIOTIS MAVRAGANIS No of Pol. Identity X010495

The notes on pages 19 to 62 form an integral part of these financial statements

Statement of Financial Position
as at 31 December 2021

Amounts in €	Note	31.12.2021	31.12.2020
			As restated
ASSETS			
Cash and balances with banks	10	28,145,659	18,558,163
Loans and advances to customers	11	578,201,289	462,991,890
Software and other intangible assets	12	396,344	306,247
Property and equipment	13	293,055	351,226
Current income tax asset	9	-	300,501
Other assets	15	60,596	80,670
Total assets		**607,096,943**	**482,588,697**
LIABILITIES			
Due to banks	16	87,029,419	62,458,448
Debt securities in issue	17	412,901,609	324,728,336
Due to customers	18	8,463,742	8,669,163
Deferred tax liabilities	14	6,201,555	5,688,636
Retirement benefit obligations	19	17,075	13,240
Current income tax liability	9	504,784	-
Other liabilities	20	2,346,250	2,638,269
Total liabilities		**517,464,434**	**404,196,092**
SHAREHOLDERS' EQUITY			
Share capital	21	20,000,000	20,000,000
Share premium	21	30,000,000	30,000,000
Reserves	22	4,605,481	4,133,880
Retained earnings	23	35,027,028	24,258,725
Total Shareholders' Equity		**89,632,509**	**78,392,605**
Total Liabilities and Equity		**607,096,943**	**482,588,697**

Athens, 2 June 2022

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE MANAGER OF FINANCIAL SERVICES
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The notes on pages 19 to 62 form an integral part of these financial statements

Statement of Changes in Equity
for the period ended 31 December 2021

Amounts in €	Share Capital	Share Premium	Defined benefit plans	Statutory Reserve	Retained earnings	Total
Balance at 31 December 2019	**20,000,000**	**30,000,000**	**(33,946)**	**3,616,715**	**22,063,934**	**75,646,703**
Impact of IAS 19 - IFRIC	-	-	32,077	-	76,164	108,241
Balance at 31 December 2019 & at 1 January 2020	**20,000,000**	**30,000,000**	**(1,869)**	**3,616,715**	**22,140,098**	**75,754,944**
Other comprehensive income	-	-	(967)	-	-	(967)
Profit for the period	-	-	-	-	9,438,628	9,438,628
Dividends paid	-	-	-	-	(6,800,000)	(6,800,000)
Statutory reserve	-	-	-	520,001	(520,001)	-
Balance at 31 December 2020 & at 1 January 2021	**20,000,000**	**30,000,000**	**(2,836)**	**4,136,716**	**24,258,725**	**78,392,605**
1 January 2021	**20,000,000**	**30,000,000**	**(2,836)**	**4,136,716**	**24,258,725**	**78,392,605**
Other comprehensive income	-	-	112	-	-	112
Profit for the period	-	-	-	-	11,239,792	11,239,792
Statutory reserve	-	-	-	471,489	(471,489)	-
Balance at 31 December 2021	**20,000,000**	**30,000,000**	**(2,724)**	**4,608,205**	**35,027,028**	**89,632,509**

Athens, 2 June 2022

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE MANAGER OF FINANCIAL SERVICES
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The notes on pages 19 to 62 form an integral part of these financial statements

Cash Flow Statement
For the period ended 31 December 2021

Amounts in €	Note	Από 01.01.2021 έως 31.12.2021	Από 01.01.2020 έως 31.12.2020
			As restated
Cash Flows from operating activities			
Profit before tax		**13,680,108**	**12,551,286**
Non cash items included in statement of total comprehensive income and other adjustments:		**5,417,286**	**5,679,967**
Depreciation of property and equipment	13	58,782	70,835
Amortization of intangible assets	12	67,570	39,957
Credit provisions	8	(1,225,772)	(1,209,856)
Provision for employee benefits	19	4,075	3,665
Interest expense and similar charges	4	6,512,631	6,775,366
Net (increase)/decrease in operating assets :		**(114,168,974)**	**(24,853,594)**
Due from / to customers		(114,189,048)	(24,819,515)
Other assets		20,074	(34,079)
Net increase/(decrease) in operating liabilities:		**(1,359,254)**	**(2,275,328)**
Other Liabilities		(237,014)	(477,546)
Income tax paid		(1,122,240)	(1,797,782)
Net Cash flows from/(for)operating activities		**(96,430,834)**	**(8,897,669)**
Cash flows from investing activities:			
Purchase of software and other intangibles	12	(157,667)	-
Purchase of property and equipment	13	(611)	(950)
Net Cash flows from/(for) investing activities		**(158,278)**	**(950)**
Cash flows from financing activities:			
Proceeds from debt securities	17	520,485,228	178,191,371
Repayment of debt securities	17	(432,267,807)	(153,487,137)
Debt securities issue costs		(100,000)	-
Due to banks	16	24,570,971	(5,155,366)
Repayment of debt securities interest expenses		(5,662,336)	(5,871,954)
Repayment of interest expenses of ROU assets	20	(7,873)	(11,196)
Principal elements of lease payments		(55,005)	(68,447)
Interest paid		(786,570)	(757,502)
Dividends paid		-	(6,800,000)
Net cash flows from/(for) financing activities		**106,176,608**	**6,039,769**
Net increase/(decrease) in cash and cash equivalents		**9,587,496**	**(2,858,850)**
Cash and balances with the banks at beginning of period		18,558,163	21,417,013
Cash and balances with the banks at end of period		**28,145,659**	**18,558,163**

Athens, 2 June 2022

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE MANAGER OF FINANCIAL SERVICES
CHARALAMPOS VOVOS No of Pol. Identity AK226323	ALEXANDROS KONTOPOULOS No of Pol. Identity X549459	PANAGIOTIS MAVRAGANIS No of Pol. Identity X010495

The notes on pages 19 to 62 form an integral part of these financial statements

Notes to the Financial Statements

NOTE 1: General information

The Company was founded on 19 May 2009 and operates until today under the name "ETHNIKI FACTORS SINGLE MEMBER S.A." (hereinafter the "Company"). The Company's headquarters are located at 128-132 Athinon Av. & Ifigeneias Str. Athens, Greece, (Reg. 68123/01/B/09/166) and register number G.E.MH. 008805601000. Company's duration has been set to be fifty (50) years and can be extended with resolution of its Shareholders' General Assembly. Company's purpose is to provide all types of factoring services according to the provisions of law 1905/1990.

The Company is a subsidiary of National Bank of Greece S.A., which owns 100% of the Company's share capital. The Company's financial statements are consolidated in the financial statements of National Bank of Greece S.A. under the full consolidation method.

The Board of Directors, whose term expires at 19th October 2024 according to the art. 13 of the Company's Article of Association, consists of the following members:

Charalampos K. Vovos	The Chairman of the Board of Directors
Alexandros V. Kontopoulos	Chief Executive Officer and Executive Member
Effrosyni K. Griza, Non-executive Member	Member
Panteleimon D. Maraveas	Member
Ioanna I. Sapountzi	Member
Maria D. Preza	Member
Konstantinos A. Koufopoulos	Member
Georgios A. Papiotis	Member
Eleni A. Kappatou	Member
Dimitrios G. Katsikavelis	Independent Member

These annual financial statements have been approved for issue by the Company's Board of Directors on 2 June 2022.

The financial statements are subject to approval by the Company's Annual General Assembly of the Shareholders.

NOTE 2: Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Company for the year ended 31 December 2021 the "financial statements") have been prepared in accordance with the International Financial Reporting Standards ("IFRSs") as endorsed by the E.U. The amounts are stated in Euro rounded to the nearest thousand, (unless otherwise stated for ease presentation).

The financial statements have been prepared under the historical cost convention. The preparation of the financial statements in conformity with the IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Use of the available information and application of judgment is inherent in the formation of estimates in the following areas: retirement benefits obligation, impairment of loans and receivables, liabilities from unaudited tax years and contingencies from litigation. Actual results in the future may differ from those reported.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The Company have restated the comparative amounts with respect to the Annual Financial Report published for the year ended 31 December 2020, please see Note 31 "Restatement".

2.2 Going Concern

The Company as a 100.0% subsidiary of the National Bank of Greece maintains significant synergies both with its parent Bank and also with the other companies of the NBG Group. Those synergies mainly relate to a) Company's funding for new factoring financing, b) business development and client credit assessment and c) various operational issues. As a result the Company highly correlates its operations to its parent Bank strategy.

The Company as a 100.0% subsidiary of the National Bank of Greece maintains significant synergies both with its parent Bank and also with the other companies of the NBG Group. Those synergies mainly relate to a) Company's funding for new factoring financing, b) business development and client credit assessment and c) various operational issues. As a result the Company highly correlates its operations to its parent Bank strategy.

As at 31 March 2022, parent Bank funding from the ECB through longer-term refinancing operations (''LTROs'') amounted to €11.6 billion remaining essentially unchanged compared to 31 December 2021. Additionally, as at 31

March 2022, parent Bank interbank transactions with foreign financial institutions amounted to €1.0 billion, while liquidity buffer at cash values amounted to €24.5 billion, with the LCR and NSFR ratios well above 100%.

Macroeconomic developments

Global economic activity remained closely linked to pandemic developments in 2021, with GDP increasing by +5.9% from -3.1% in 2020, according to International Monetary Fund (World Economic Outlook, January 2022), on the back of easing restrictions and the roll-over of vaccinations against COVID-19. The fully vaccinated share of the population is circa 72% for high-income countries, compared with around 6% for low-income countries. On a regional basis, strong growth rates were recorded in all main economies, due to ultra-accommodative fiscal and monetary policy..

Vaccination coverage increased to 72% of the total population in January 2022 (over 80% of the adult population), from c. 60% in September 2021, compared to an EU average of c. 74%. In late-January 2022, there are also some signs of a slowdown in the pace of infections caused by the surging Omicron variant (c. 18K new COVID-19 cases, daily, compared to over 30K in the period between end-December 2021 and early-January 2022). Nonetheless, losses of human lives remain substantial, with the 7-day rolling average at c. 105 per day at the end of January 2022, the highest pace since the onset of the pandemic, exemplifying a highly persistent pressure on the health system. A limited number of protective measures on service activities, especially on entertainment venues and restaurants (such as earlier closing time) enacted in late-December 2021, have been lifted in late-January 2022. The baseline scenario envisages a waning impact of the pandemic on economic conditions in 2022, assuming no major recurrence of the pandemic pressure due to the emergence of more dangerous COVID-19 variants.

The strong momentum of the Greek economy in 2021 and its resilient fundamentals have been proved sufficient to counteract, until 1Q.2022, the pressure from increased COVID-19 infections, due to the Omicron variant, and accelerating inflation, on the back of persistent disruptions in global supply chains following the eruption of the Ukraine crisis in late-February 2022. Gross Domestic Product (GDP, in constant prices) data for FY.2021 confirmed the strength of economic recovery, with GDP growth at 8.3% y-o-y (+7.7% y-o-y in 4Q.2021), reflecting that economic activity has largely bounced back to its pre-pandemic level. This solid performance was underpinned by a synchronized strengthening in all major GDP expenditure components, with private consumption and fixed capital investment accounting for the major part of the overperformance, and has been translated to an average carryover effect on FY.2022 GDP growth of 1.6 pps.

As regards economic activity trends in 1Q.2022, information from several high-frequency indicators from the labor market, business surveys, business turnover, international arrivals by air, industrial production, google mobility trends and tax revenue data showed that economic recovery continued at a broadly stable annual pace as in 4Q.2021, despite the increased macroeconomic and geopolitical headwinds. Specifically:

- Business turnover increased by 35% y-o-y, on average, in the first two months of 2022 (c. €12 billion higher), exceeding by 22% (c. €8 billion) its pre-pandemic level in 2M.2019, bolstered by the resilient economic sentiment and the impulse from the strong growth in household disposable income of 4.0%, in real terms, in FY.2021 as well as from positive base effects due to COVID-19 restrictions in 2M.2021.

- Economic sentiment (ESI) and manufacturing PMI remained close to 20-year highs in 1Q.2022, while industrial and manufacturing production increased by 4.2% and 4.8% y-o-y on average, reflecting strong current production trends and resilient orders from the domestic and external markets.

- Labor market responsiveness to the rebound in economic activity has been particularly strong, with the unemployment rate remaining at an 11-year low in the first two months of 2022 and employment growth spiking to 10.6% y-o-y, exceeding by 5.5% its pre-pandemic level in 2M.2019.

- Early signs of tourism activity in 2022 have also been very encouraging, with the strong international demand, especially from key tourism markets for Greece (EU, UK and US), remaining largely unaffected by the crisis in Ukraine. International arrivals at Athens International Airport (AIA) edged closer to their respective 2019 levels – 60% on average in 1Q.2022 or up by 430% y o y, compared with 11% in 1Q.2021, and at 80% in April 2022 (compared to April 2019). Revenue prospects are even more buoyant, with current estimates suggesting that about €4.5 billion (2.5% of GDP) of the €7.2 billion gap of 2021 (compared to 2019) could be regained in 2022, on the back of rising prices of services and increased firms’ pricing power in this sector.

- Tax revenue rose by 15% y-o-y in 1Q.2022, pointing to resilient underlying activity growth adjusted for the inflation impact.

Overall, the Greek economy entered 2022 on a firm footing, with GDP growth estimated to continue at a healthy pace of 3.1% in 2022 and 4.1% in 2023 according to the NBG baseline scenario. Nonetheless, increased pressure from higher-than-initially-expected inflation on disposable income and firms’ production costs poses downside risks to economic activity, despite the presence of significant offsetting factors. Indeed, business and consumer survey data for April started to reflect a more sizeable negative impact of inflation and risks related to increased geopolitical tensions and, possibly, more protracted increases in energy and non-energy commodity prices globally.

Notes to the Financial Statements

Consumer confidence recorded the largest loss, dropping to the lowest point since July 2017 and bringing ESI to an 1-year low, suffering the most direct hit from surging consumer price (CPI) inflation which increased to a new 27-year high of 10.2% in April 2022 from 7.4% on average in 1Q.2022. Manufacturing PMI weakened modestly to a still expansionary level of 54.7, on average, in March-April 2022, despite the increased pressure from surging costs, shortages and sharp price increases in energy, raw materials and other production inputs. Nevertheless, risks related to increased geopolitical tensions started to weigh significantly on output expectations and client demand. Inflation pressures are unlikely to decelerate until 2H.2022, as the pass-through from energy, non-oil import and producer prices – which spiked further in March-April 2022 – is expected to continue into 3Q.2022.

However, downside pressures on household disposable income are partly cushioned by the activation of new support measures against the energy crisis, which are projected to amount to €4.3 billion (2.2% of GDP) in 2022, in gross terms, according to Greece's Stability Programme for 2022. This support will be combined by a significant increase in the economy-wide minimum wage of 9.7% (2% since January 2022 and 7.7% from May 2022 onwards) legislated by the Government, which is expected to be translated to an average wage increase of c. 3%, as well as by an increase in employment of 3.3% y-o-y according to the NBG baseline scenario, with new hiring in tourism-related activities accounting 2/3rds of the increase.

Moreover, the support from RRF and public investment activity in general will remain sizable, with €3.6 billion of RRF funds already received in 4M.2022, following a disbursement of €4.0 billion in pre-financing in 3Q.2021. Accordingly, public investment spending (including RRF) is expected to reach an 18-year high in 2022.

The fiscal overperformance in 2021 reached 2% of GDP, in terms of a lower-than-targeted General Government primary deficit, providing the required fiscal space to finance the new support measures in 2022. The General Government deficit decreased to 5.0% of GDP (the respective Budget 2022 estimate for primary deficit in 2021 was 7.0% of GDP), following a deficit of 7.2% of GDP in 2020. This overperformance reflected a higher-than-expected growth in Government revenue, lowered needs for COVID-related support in 2021 and the strong cyclical turnaround in 2021. In this vein, the General Government debt declined sharply by 13% of GDP, to 193.3% of GDP in 2021 from 206.3% in 2020 – significantly lower than the Budget 2022 estimate of 197.1% of GDP – and is expected to fall further to 180.2% of GDP in 2022, according to Greece's Stability Programme for 2022. This improvement along with additional progress in structural reforms and the significant decline in NPEs in the Greek banking system supported the upgrade of Greece's sovereign rating by one notch, to BB (high) and BB+ (stable outlook) from BB, by DBRS and S&P on 18 March and 22 April 2022, respectively. For 2022, the primary deficit estimate has been revised upward to 2% of GDP in the Stability Program from 1.4% in Budget 2022, in order to incorporate the cost of additional support, which is partly financed by the sustainable part of the 2021 overperformance.

However, 1Q.2022 marked the turning point of an unprecedented cycle of monetary policy easing by the ECB and other major central banks worldwide. Rapidly increasing inflation and solid economic recovery until 1Q.2022 set the stage for a gradual withdrawal of extraordinary support measures due to COVID-19, with net purchases of securities under the ECB's Pandemic Emergency Purchase Programme (PEPP) ending in end-March 2022. The ECB stated that the re-investment of funds from maturing bonds will continue until at least the end of 2024 and will be used with increased flexibility, in order to avoid disruptions in monetary policy transmission, whereas announced in April 2022 that Greece's sovereign securities will continue to be accepted in refinancing operations. Nonetheless, fixed-income markets responded strongly to the signal of monetary policy reversal, which has been followed by a further increase in inflation, with the yield of the 10-year Greek Government bond increasing by 2.3 pps between January and May 2022, to a 2-year high of 3.6% in early-May, whereas the yield of the German bund increased from -0.1% to 1.1% – the highest point since August 2014 – in the same period. Official and market-based estimates of future interest rates tend to discount cumulative hikes in the ECB deposit facility rate of 50 to 75 bps until the end of the year.

Downside risks, mainly, relate to the following factors:

• Accelerating inflation will inevitably push further upwards production costs for business through rising energy and input prices. Low expectations for a diplomatic breakthrough in Ukraine in 2Q.2022 increase the pressure on EU countries for a rapid and, possibly, costly disengagement from Russian energy supply, which will lead to a significantly slower-than-previously-expected decline in energy prices in the coming quarters as well as in 2023. Moreover, the announcement of new lockdowns at a regional level in China aggravates worries about new disruptions in global supply chains.

• Additional pressure on monetary authorities to speed up the withdrawal of very accommodative policy measures, as inflation increased to 40-year highs in most developed economies, has already led to a relatively fast increase in government and corporate bond yields and high exchange rate volatility worldwide which could intensify further.

• Weakening of economic growth, due to a combined erosion of disposable income from inflation and of economic sentiment from heightened risks related to increased geopolitical tensions and retaliatory sanctions, particularly those affecting the energy sector. Although the direct economic exposure of the Greek economy to the crisis zone (Russia, Ukraine) remains low, the energy factor represents a significant risk for economic growth in Greece and the euro area as a whole, whereas a prolonged increase in geostrategic risks could impose significant pressure to the performance of other sectors of economic activity, including tourism.

• Additional geopolitical and financial shocks could increase risk aversion, leading to a deferral of private spending decisions – especially for new investment on fixed capital – and posing pressure on collateral values.

• The risk of emergence of new more contagious COVID-19 variants, which could interrupt the upward trend in economic activity, halting tourism recovery and having significant macroeconomic impact in the absence of additional fiscal support, still exists.

For a list of measures that have been adopted in 2021, in order to provide support to the European banking system and the Greek economy in dealing with COVID-19, see on Board of Directors Annual Report "Response to COVID-19 crisis".

Ukraine crisis

On 24 February 2022, Russia invaded Ukraine where in addition to the humanitarian crisis it has caused in the region, it has had negative economic consequences for the global economy mainly through higher energy and commodity prices that have fueled higher inflation which has produced weaker confidence in households and business. The extent of these effects will depend to a great extent on how the conflict evolves. The invasion also escalated tensions between Russia and the U.S., NATO, the EU and the U.K. The US has imposed and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions implemented by the EU and the U.K. and other jurisdictions. In the first quarter of 2022 the U.S., the EU and the U.K., each imposed packages of financial and economic sanctions that, in various ways, constrain transactions with numerous Russian entities and individuals; transactions in Russian sovereign debt; investment, trade and financing to and from certain regions of Ukraine. The Company in cooperation with parent Bank has taken all necessary measures to comply with sanctions imposed by the competent authorities. Management is closely monitoring the developments and assessing periodically the impact that these may have on the Company's operations and financial position.

The Company has no any direct exposure to the aforementioned countries. Moreover, parent Bank has an insignificant exposure in any positions in securities, interbank transactions (secured or unsecured), derivatives, or commercial transactions, related to Russia or Ukraine, or to the Ruble, or with any Bank or subsidiary that is domiciled in these countries. Parent Bank retail exposure is also extremely limited.

The parent Bank also examined indirect exposure through its corporate loan portfolio. Corporate clients that were analyzed had one of the following characteristics:

• Business Activity: Companies that sell their products/services in the affected countries or have local presence through subsidiaries/ branches

• Supplier(s): Companies with key suppliers in the affected countries

• Shareholder(s): Key shareholder(s) or final beneficiary or other key stakeholder is of Russian nationality/citizenship

Through this exercise the parent Bank determined that corporate clients that had a medium and high expected impact level due to the crisis in the Ukraine were not material to the corporate loan portfolio.

The Company, with parent Bank collaboration, ensures on continuing basis the appropriate infrastructure in order to prevent, detect, and mitigate cyber threats. Parent Bank has already in place a robust framework supported by experienced staff and appropriate IT infrastructure to minimize the probability of a cyber intrusion. From the onset of the crisis, parent Bank has proactively augmented this framework with a significant number of preparedness and security enhancement actions which will help reduce the impact of any such attacks. Geopolitical tensions in Ukraine, remain a source of uncertainty, for European and World economy in general. Specifically, a wide-ranging package of sanctions imposed to Russian banks, companies and individuals, the expulsion of Russian Banks from the SWIFT financial messaging system, the shutdown of EU airspace for Russian aircrafts are expected to have a significant impact on the energy sector, while the prolonged increase in geostrategic risks imposes significant pressure on the performance of other sectors of economic activity, including tourism. Preliminary estimations indicates that these events will negatively affect the course of European GDP

Going concern conclusion

Management of the parent Bank concluded that a going concern issue does not exist after considering (a) the current level of European Central Bank ("ECB") funding mainly from Targeted Long-term Refinancing Operations ("TLTROs") and the current access to the Eurosystem facilities with significant collateral buffer and Liquidity Coverage Ratio ("LCR") and Net Stable Funding Ratio ("NSFR") well above 100%, (b) the parent Bank's and the Group's CET1 ratio of 31 March 2021 which exceeded Supervisory Review and Evaluation Process "SREP" requirements, (c) the unprecedented response to Coronavirus ("COVID-19") from European and Greek authorities to provide both fiscal and monetary support and d) the insignificant exposure to Russia and the Ukraine and Management's actions with respect to the crisis.

Management of the Company taking into account the strong profitability, the capital adequacy ratio, the positive cash flows from operating activities and the fact that the parent Bank prepares its financial statements with the going concern assumption, that is well positioned to adequately support its business plan over the coming year (2022) and for this reason prepared its own financial statements on a going concern basis.

2.3 Adoption of International Financial Reporting Standards (IFRS)

Amendments to existing standards and the conceptual framework effective from 1 January 2021

-IFRS 16 (Amendment): COVID-19-Related Rent Concessions (effective for annual periods beginning on or after 1 June 2020 and effective for the separate and consolidated Financial Statements from 1 January 2021). The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The amendment is mandatory for annual reporting periods beginning on or after 1 June 2020 and thus for the consolidated and separate interim and annual financial statements from 1 January 2021. The adoption of this amendment did not have an impact on Company's Financial Statements.

-IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendment): Interest Rate Benchmark Reform — Phase 2 (effective for annual periods beginning on 1 January 2021). The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the InterBank Offered Rate ("IBOR") reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition. The impact of this amendment on the consolidated and separate Annual Financial Statements is disclosed in sections 2.8.9 "IBOR reform- Treatment of changes in the basis used for determining the contractual cash flows of the component of a hedge", 2.7 "Derecognition of financial assets" and 2.8 "IBOR Reform" below.

The amendments to existing standards effective from 1 January 2021 have been endorsed by the EU.

New standards and amendments to existing standards and the conceptual framework effective after 1 January 2021

Amendments

-IFRS 16 (Amendment): COVID-19-Related Rent Concessions (effective for annual periods beginning on or after 1 April 2021 and effective for the consolidated and separate financial statements from 1 January 2022). The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022. The adoption of this amendment had no effect on Company's Financial Statements.

-IFRS 3 (Amendments): Reference to the Conceptual Framework (effective for annual periods beginning on 1 January 2022). The amendments update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

-IAS 16 (Amendments): Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on 1 January 2022). The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in the Income Statement. The adoption of this amendment had no effect on Company's Financial Statements.

-IAS 37 (Amendments): Onerous Contracts: Cost of Fulfilling a Contract (effective for annual periods beginning on 1 January 2022). The amendments specify which costs a company includes when assessing whether a contract will be loss-making. The adoption of this amendment had no effect on Company's Financial Statements.

-IAS 1 (Amendment): Classification of liabilities as current or non-current (effective for annual periods beginning on or after 1 January 2023). The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment Classification of liabilities as current or non-current was issued in January 2020 and was effective for annual reporting periods beginning on or after 1 January 2022. However, in response to the COVID-19 pandemic, the IASB has deferred the effective date by one year to provide companies with more time to implement any classification changes resulting from those amendments. Classification of Liabilities as Current or Non-current is now effective for annual reporting periods beginning on or after 1 January 2023. Although the consolidated and separate Statement of Financial Position is presented on a liquidity basis, this amendment makes clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

-IAS 1 and IFRS Practice Statement 2 (Amendments): Disclosure of Accounting Policies (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'Four-Step Materiality Process'.

-IAS 8 (Amendment): Definition of Accounting Estimates (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

-IAS 12 (Amendments): Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations.

IFRS 9 Financial Instruments: Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability. Only fees paid or received between the entity (the borrower) and the lender are included, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16: Lease Incentives. The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor, in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

The amendments to existing standards effective after 2021 have been endorsed by the EU, except for the amendments to IAS 1 Presentation of Financial Statements; IAS 1 and IFRS Practice Statement 2; IAS 8 Accounting policies, Changes in Accounting Estimates and Errors; IAS 12 Income Taxes; and IFRS 17 Insurance Contracts, which have not been endorsed by the EU.

International Financial Reporting Interpretations Committee (IFRIC) Agenda

- Decision-IAS 19 "Employee Benefits" - Attributing Benefit to Periods of Service: An agenda decision was published in May 2021 by the IFRIC in relation to IAS 19 "Employee Benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply to attributing benefit to periods of service. The Company have restated the comparative amounts with respect to the Annual Financial Statements published for 2020 as a result of this agenda decision please see Note 31 "Restatement".

2.4 Foreign currency transactions

Items included in the financial statements of the Company are measured and presented in Euro (€), which is the functional currency of the Company.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of total comprehensive income.

When preparing the financial statements, monetary items are translated at the exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the translation of monetary items at the preparation of financial statements are recognized in the statement of total comprehensive.

Notes to the Financial Statements

2.5 Financial assets and liabilities

This category includes cash and cash equivalents, customer receivables, other assets and liabilities and finally debt securities issued and other bank borrowings.

Financial instruments are presented as assets, liabilities or equity in accordance with the substance of the contractual arrangements from which they derive. Interests, dividends, gains or losses derive from financial instruments characterized as assets or liabilities are recognized as income or expenses respectively. Dividends' distribution is recognized directly in Equity. The Company does not enter into derivative financial instruments used for hedging and trading

2.6 Classification of financial assets

The Company uses the measurement category "Debt instruments at amortised cost" for its financial assets on the basis of:

a) the Company's business model for managing the financial asset and

b) the contractual cash flow characteristics of the financial asset.

Business model assessment

The business models reflect how the Company manages its debt financial assets in order to generate cash flows. This assessment is performed on the basis of scenarios that the Company reasonably expects to occur. The assessment is based on all relevant and objective information that is available at the time of the business model assessment. The Company has identified the business model "Held to collect contractual cash flows ("HTC")" for debt its financial assets. The Company's objective is to hold the financial assets and collect the contractual cash flows. All the assets in this business model give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Debt instruments classified in this business model are measured at amortised cost. Loans within this category may be sold to manage the concentration of the Company's credit risk to a particular obligor, country or industrial sector, without an increase in the asset's credit risk. Such sales are consistent with the business model objective if they are infrequent (even if significant in value) or insignificant in value both individually and in the aggregate (even if frequent).

Contractual cash flow characteristics

The Company assesses the characteristics of its financial assets' contractual cash flows at initial recognition in order to determine whether they are SPPI. This is referred to as the "SPPI test". Interest amount within a basic lending arrangement, is typically the consideration for the time value of money and the credit risk. Interest may also include consideration for other basic lending risks such as liquidity and costs (e.g. administration associated with holding the financial asset for a particular period of time), as well as a profit margin. Interest may also be negative if the Company decides to effectively pay a fee for the safekeeping of its money for a particular period of time. The Company considers that an originated or a purchased financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form and irrespective if it was purchased at a deep discount.

Non-recourse loans

When a financial instrument's contractual cash flows are specifically derived from specified assets of the borrower (seller), the Company assesses whether the cash flows arising from the debt instrument are SPPI. In order to conclude whether the loan represents a basic factoring agreement and its return does not vary based on the performance of the underlying asset or project, the Company assesses whether there is an adequate buffer to absorb credit losses.

2.6.1 Measurement of financial assets

Financial assets measured at amortised cost

A debt financial asset is measured at amortised cost if it is held in a business model that has an objective to hold financial assets to collect contractual cash flows and the contractual terms of the financial asset result in cash flows that pass the SPPI test.
The financial assets classified within this category, mainly include the following asset classes:

- Sight and time deposits with banks.
- Loans and advances to customers.
- Other receivables included in line item "other assets".

Subsequent to initial recognition, the debt financial asset is measured at amortised cost using the effective interest rate ("EIR") method for the allocation and recognition of interest revenue in line item "interest and similar income" of the income statement over the relevant period. The amortised cost is the amount at which the financial asset is measured at initial recognition minus any principal repayments, plus or minus the cumulative amortisation using the EIR method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount is the amortised cost of a financial asset before adjusting for any loss allowance. Interest income on debt financial assets is calculated on the gross carrying amount if the asset is classified in stage 1 or 2. When a debt financial asset becomes credit-impaired (classified in stage 3), interest income is calculated on the amortised cost (i.e. the gross carrying amount adjusted for the impairment allowance). The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to the asset's gross carrying amount. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (e.g. prepayment, extension, call and similar options). The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the EIR, transaction costs, and all other premiums or discounts. Fees that are an integral part of the EIR of a financial instrument are treated as an adjustment to the EIR.

Except for purchased or originated financial assets that are credit-impaired ("POCI") on initial recognition, expected credit losses ("ECL") are not considered in the calculation of the EIR. For a POCI financial asset, the credit-adjusted EIR is applied when calculating the interest revenue and it is the rate that exactly discounts the estimated future cash flows through the expected life of the financial asset to the asset's amortised cost. The Company includes the initial ECL in the estimated cash flows when calculating the credit-adjusted EIR for such assets.

2.6.2 Impairment - Expected Credit Losses

ECL are recognised for all financial assets measured at amortised cost, debt financial assets measured at FVTOCI, lease receivables, financial guarantees and certain loan commitments. ECL represent the difference between contractual cash flows and those that the Company expects to receive, discounted at the EIR. For loan commitments and other credit facilities in scope of ECL, the expected cash shortfalls are determined by considering expected future draw downs.

Recognition of expected credit losses

At initial recognition, an impairment allowance is required for ECL resulting from default events that are possible within the next 12 months (12-month ECL), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 1. For instruments with a remaining maturity of less than 12 months, ECL are determined for this shorter period.

In the event of a significant increase in credit risk ("SICR"), an ECL allowance is required, reflecting lifetime cash shortfalls that would result from all possible default events over the expected life of the financial instrument ("lifetime ECL"), weighted by the risk of a default occurring. Instruments in this category are referred to as instruments in Stage 2.

Lifetime ECL are always recognised on financial assets for which there is objective evidence of impairment, that is they are considered to be in default or otherwise credit-impaired. Such instruments are referred to as instruments in Stage 3.

POCIs are classified as credit impaired. An instrument is POCI if it has been purchased with a material discount to its par value that reflects the incurred credit losses or is originated with a defaulted counterparty.

For POCI financial assets, the Company recognises adverse changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in the income statement. POCI are initially recognised at fair value with interest income subsequently being recognised based on a credit-adjusted EIR. POCI may also include financial instruments that are newly recognised following a substantial modification and remain a separate category until maturity. Any favourable changes for POCI assets are impairment gain even if the resulting expected cash flows exceed the estimated cash flows on initial recognition.

ECL are recognised in the income statement with a corresponding ECL allowance reported as a decrease in the carrying value of financial assets measured at amortised cost on the statement of financial position. For financial assets measured at FVTOCI, the carrying value is not reduced, but the ECL allowance is recognised in OCI. For off-balance sheet financial instruments, the ECL allowance is reported as a provision in "other liabilities". ECL are recognised within the income statement in "credit provisions and other impairment charges".

Write-off

A write-off is made when the Company does not have a reasonable expectation to recover all or part of a financial asset. Write-offs reduce the principal amount of a claim and are charged against previously established allowances for credit losses. Recoveries, in part or in full, of amounts previously written off are generally credited to "credit provisions and other impairment charges". Write-offs and partial write-offs represent derecognition or partial derecognition events.

Definition of default

The Company has aligned the definition of default for financial reporting purposes, with the non performing exposures (NPE) definition used for regulatory purposes, as per EBA Implementing Technical Standards on Supervisory reporting on forbearance and non-performing exposures, as adopted by the Commission Implementing Regulation (EU) 2015/227 of 9 January 2015 amending Implementing Regulation (EU) No 680/2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council (“EBA ITS”). The definition of default for financial reporting purposes is consistent with the one used for internal credit risk management purposes.

The new definition of default results in classification of exposures (except for those held for trading or debt securities where the borrower has no other exposures with the Group) into Stage 3 according to the following main criteria:

a) Unpaid payments of over €500 for more than 90 consecutive days, representing at least 1% of the total exposure of the obligor across the Group. Only missed payments related to business litigations, specific contractual features or IT failures (i.e. ‘technical past due’ situations) may avoid automatic transfer into Stage 3 after 90 days.

b) A three-month probation period for non-forborne exposures, during which no default trigger applies.

c) Identification of other criteria that evidence, even in the absence of missed payments, that it is unlikely that the counterparty could meet all its financial obligations (UTPs), including indicatively the following:

• the granting of concessions towards obligors facing or about to face difficulties in meeting their financial commitments that result in a decrease in the present value of cash flows of more than 1% of its initial value (a distressed restructuring resulting in a diminished financial obligation);

- the partial or full sale of credit obligations at a material credit-related economic loss, i.e. >5%;
- losses recognised in the Income Statement for instruments measured at fair value that represent credit risk impairment.

The adoption of the new definition of default did not have a material impact on Company’s financial statements.

Measurement of expected credit losses

The Company assesses on a forward-looking basis the ECL associated with all financial assets subject to impairment under IFRS 9. The Company recognizes an ECL allowance for such losses at each reporting date. The measurement of ECL reflect:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The Company uses three macroeconomic scenarios and estimates the ECL that would arise under each scenario. A weighting is allocated to each scenario, such that the weighted probabilities of all three scenarios are equal to one. The distribution of possible ECL may be non-linear, hence three distinct calculations are performed, where the associated ECLs are multiplied by the weighting allocated to the respective scenario. The sum of the three weighted ECL calculations represents the probability-weighted ECL.
- The time value of money.
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For the purposes of measuring ECL, the estimate of expected cash shortfalls reflects the cash proceeds expected from collateral liquidation (if any) and other credit enhancements that are part of the contractual terms and are not recognised separately by the Company. The estimate of expected cash shortfalls on a collateralized loan exposure reflects the assumptions used regarding the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether the foreclosure is probable.

The ECL calculations are based on the following factors:

- **Exposure at Default (“EAD”):** This is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities.
- **Credit Conversion Factor (“CCF”):** The CCF converts the amount of a credit line and other off-balance sheet amounts to an EAD amount.
- **Probability of Default (“PD”):** Represents the likelihood of a borrower/issuer defaulting on its financial obligation, assessed on the prevailing economic conditions at the reporting date, adjusted to take into

account estimates of future economic conditions that are likely to impact the risk of default either over the next 12 months for Stage 1 financial assets, or over the remaining lifetime, for Stage 2 and 3 financial assets.

- **Loss given default ("LGD"):** Represents the Company's expectation of the extent of loss on a defaulted exposure. The LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. The determination of LGD takes into account expected future cash flows from collateral and other credit enhancements, or expected payouts from bankruptcy proceedings for unsecured claims and, where applicable, time to realization of collateral and the seniority of claims. LGD is expressed as a percentage loss per unit of EAD.
- **Discount Rate:** The implied discount factor based on the original EIR of the financial asset or an approximation thereof.

The PD and LGD are determined for three different scenarios whereas EAD projections are treated as scenario independent.

The ECL is determined by projecting the PD, LGD and EAD for each time step between future cash flow dates and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival, if appropriate. This effectively calculates an ECL for each future period, which is then discounted back to the reporting date and summed.

Forward looking economic inputs

Forward looking information (FLI) is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. The expected recoveries (cash flow recoveries or liquidation of collateral) used in the ECL calculation of corporate lending exposures individually assessed, takes into account FLI based on the Company's forecasts of the relevant macroeconomic factors.

The Company applies three scenarios, i.e. baseline, optimistic, pessimistic, developed by the parent Bank Economic Research and Analysis Division. The macroeconomic scenarios used for measuring ECL are the same with the ones used for evaluating SICR.

The main macroeconomic variable utilized by the Company, affecting the level of ECL is GDP growth rate.

Significant increase of credit risk

A financial asset is considered as non-credit impaired, when the definition for Stage 3 classification is not met. The exposure is classified as Stage 2 if it has suffered a SICR, otherwise it is classified as Stage 1.

At each reporting date, the Company performs the SICR assessment comparing the risk of a default occurring over the remaining expected lifetime of the exposure with the expected risk of a default as estimated at origination.
The Company's process to assess SICR has three main components:

- **a quantitative element**, i.e. reflecting a quantitative comparison of PD or credit rating at the reporting date versus the respective metric at initial recognition (see below,
- **a qualitative element**, i.e. all Forborne Performing Exposures (FPE), in accordance with EBA ITS, internal watch list for corporate obligors; and
- **"backstop" indicators**.

The Company applies on all lending exposures the IFRS 9 presumption that a SICR has occurred when the financial asset is more than 30 days past due.
The Company in cooperation with parent Bank assesses SICR based on changes in the obligor's internal credit rating since origination.

2.7 Derecognition

2.7.1. Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired.
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

IBOR Reform- Treatment of changes in the basis for determining the contractual cash flow of financial assets and liabilities

The basis for determining the contractual cash flows of a financial asset or liability may be modified:

- either by amending the contractual terms and conditions set during the initial recognition of the financial instrument (e.g.: when the agreement is renegotiated, the contractual terms and conditions are amended to replace the initial reference interest rate by an alternative one),
- or by applying the appropriate external dispositions without requiring a change in contractual terms (e.g.: the method for determining the reference interest rate is modified without any change in the contractual terms and conditions, i.e., the EONIA has been quoted by reference to the €STER + 8.5bp since October 2019),
- or as a result of the activation of an existing contractual term or condition (example: application of the contractual rate replacement provision, or "Fallback" provision).

If, in the context of the IBOR reform, there is a change in the basis for determining the contractual cash flows of a financial asset or liability at amortised cost, the reassessment of the contractual cash flows is regarded as a modification of the EIR applied to determine the future interest income or expense and does not generate a gain or loss in the Income Statement.

This treatment depends on compliance with the following conditions:

- a change in the basis for determining the contractual cash flows is required and results directly from the IBOR reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the former basis used before the change.

The cases giving rise to a new basis for determining the contractual cash flows considered economically equivalent to the former basis are, for example:

- the replacement of an existing reference interest rate used to determine the contractual cash flows of a financial asset or liability by:
    - an alternative reference interest rate (or by changing the method used to determine the reference interest rate in question), with
    - the addition of a fixed spread necessary to compensate for the difference in basis between the existing reference interest rate and the alternative one;
- changes in the determination of the amount of interest resulting from the use of a new reference interest rate; and
- the addition of a Fallback provision to the contractual terms and conditions of a financial asset or liability to allow for the implementation of the changes described above (such as replacement of the rate).

2.7.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of total comprehensive income.

2.8 IBOR reform

The interest rate benchmark reform, initiated by the Financial Stability Board in 2014, aims at replacing these benchmark rates with alternative rates, in particular the Risk-Free Rates ("RFR"). This reform accelerated on 5 March 2021, when the Financial Conduct Authority, the supervisor of LIBOR, announced the official dates for the cessation and loss of representativeness:

- EUR and CHF LIBOR (all terms); GBP and JPY LIBOR (terms: overnight, 1 week, 2 months and 12 months); LIBOR USD (terms: 1 week and 2 months): the publication of these benchmark settings contributed by a panel of banks has permanently ceased as of 1 January 2022.

Besides, regarding the major euro area interest rate benchmark indexes:

- EURIBOR: European Money Markets Institute (“EMMI”), administrator of the index, does not plan to cease its publication. The EURIBOR will thus be maintained in the coming years.
- EONIA: its publication ceased definitively on 3 January 2022. The successor rate recommended by the ECB working group on the euro area is the €STR on which the EONIA was based since end 2019.

In parallel, other interest rate indexes based on LIBOR are also subject to reform (e.g. SOR, MIFOR, THBFIX, ICE swap rate). Local regulators or administrators continue clarifying the roadmap and issuing recommendations to reduce the risks associated with these transitions.

Impact of the reform to the Company

With the cessation deadlines announced for LIBOR and EONIA in mind, the public authorities and the working groups set up by the central banks issued recommendations to the industry. These recommendations aim at stopping the production of new contracts referencing these indexes as well as at migrating the existing contracts referencing said indexes to alternative benchmark rates. The Company in cooperation with parent Bank relevant Corporate Banking business lines took the following steps with respect to the Reform:

- strengthening of the new contracts through the inclusion of fallback clauses and risk warnings;
- cessation of the production of new transactions referencing LIBOR and EONIA (with some exceptions provided for by regulators on USD LIBOR) and use of alternative solutions;
- fair and homogenous treatment of customers through the involvement of the compliance teams in the renegotiations of contracts.

In 2021 the Company focused its action on transitioning its agreements referencing GBP LIBOR, CHF LIBOR, as well as EONIA. Depending on the products, the transition has, overall, been carried out according to three major modalities:

- loans and credit lines are subject to individual renegotiations, together with the related hedging instruments, in order to maintain their effectiveness;
- most of the derivative products have been transitioned at the instigation of the clearing houses or through the activation of their fallback clauses (protocol set up by the ISDA). Some derivative products have, however, been renegotiated bilaterally;
- lastly, for some products (typically: cash accounts and similar), the transition has been done through an update of the general conditions.

At the end of December 2021, the Group considers that it has achieved substantially all of its legal transition programme regarding the contracts on indexes ending or ceasing to be representative at the end of 2021.

Notes to the Financial Statements

Current benchmark interest rates	New risk-free rates likely to/or has replaced current benchmark interest rates	Financial assets (excluding derivatives) impacted by the reform	Financial liabilities (excluding derivatives) impacted by the reform
		Carrying value (amounts in € thousand)	
Indices whose listing ends on 31.12.2021			
LIBOR - London Interbank Offered Rate CHF	Swiss Average Rate Overnight (SARON)	-	-
LIBOR - London Interbank Offered Rate EUR	Euro Short-Term Rate (€STR)	-	-
LIBOR - London Interbank Offered Rate GBP	Reformed Sterling Overnight Index Average (SONIA)	-	-
Total		**-**	**-**
Index whose listing ends on 30.06.2023			
LIBOR - London Interbank Offered Rate - USD	Secured Overnight Financing Rate (SOFR)	71,627	64,440
Total		**71,627**	**64,440**

2.9 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when, and only when there is a legally enforceable right to offset the recognized amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

2.10 Interest income and expense

Interest income and expense are recognised in the statement of total comprehensive income for all interest bearing instruments using the effective interest rate method. Interest income mainly includes interest earned from loans and advances to customers and secondly interests earned from banks.

Fees and direct costs relating to financing clients or to receivable commitments are deferred and amortised to interest income over the life of the instrument using the effective interest rate method.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.11 Fees and commissions

Fees and commissions recognised on an accrual basis over the period the factoring services are provided.

2.12 Property & Equipment

Property and equipment include mainly equipment, held by the Company for operating purposes. Property and equipment are initially recorded at cost, which includes all costs that are required to bring an asset into operating condition.

Subsequent to initial recognition, property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset, which is classified as property and equipment are capitalized, only when it is probable that they will result in future economic benefits to the Company beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation of an item of property and equipment begins when it is available for use and ceases only when the asset is derecognized. Therefore, the depreciation of an item of property and equipment that is retired from active use does not cease unless it is fully depreciated, but its useful life is reassessed. Property and equipment are depreciated on a straight-line basis over their estimated useful life (not exceeding a period of 10 years), however if the acquisition cost of the equipment is less than €600, is fully depreciated within the financial year.

At each reporting date the Company assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

Notes to the Financial Statements

2.13 Software and other intangible assets

Software includes costs that are directly associated with identifiable and unique software products controlled by the Company that are anticipated to generate future economic benefits exceeding costs beyond one year. Expenditure, which enhances or extends the performance of computer software programs beyond their original specifications is recognized as a capital improvement and added to the original cost of the software. Software is amortized using the straight-line method over the useful life, not exceeding a period of 12 years.

Expenditure on starting up an operation or branch, training personnel, advertising and promotion is recognized as an expense when it is incurred.

2.14 Leases

2.14.1 The Company is the lessee

The Company applies a single recognition and measurement approach for all leases. The Company recognizes lease liabilities representing the obligation to make lease payments and right-of-use (RoU) assets representing the right to use the underlying assets.

2.14.2 RoU assets

The Company recognizes RoU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of RoU assets includes the amount of lease liabilities recognized, initial direct costs incurred, restoration costs and lease payments made at or before the commencement date less any lease incentives received. RoU assets are depreciated on a straight-line basis over the lease term.

The RoU assets are presented in “property and equipment”.

2.14.3 Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or a rate, if there is a change in the Company’s estimate of the amounts expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the RoU asset, or is recorded in the Income Statement if the carrying amount of the RoU asset has been reduced to zero.

2.15 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, and amounts due from other banks with original maturities of less than three months from the date of acquisition, which are subject to insignificant risk of changes to fair value and are used by the Company in the management of its short-term commitments.

2.16 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2.17 Employee Benefits

A defined benefit plan is a post-employment benefit plan that defines an amount of benefit to be provided, determined using a number of financial and demographic assumptions. The most significant assumptions include age, years of service or compensation salary, life expectancy, the discount rate, expected salary increases and pension rates. For defined benefit plans, the liability is the present value of the defined benefit obligation as at the reporting date minus the fair value of the plan assets.

The defined benefit obligation and the related costs are calculated by independent actuaries on an annual basis at the end of each annual reporting period, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds or government bonds that are denominated in the currency in which the benefits will be paid and, which have terms to maturity approximating the terms of the related liability, or estimates of rates which take into account the risk and maturity of the related liabilities where a deep market in such bonds does not exist.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability/(asset). Service cost (current service cost, past service cost (including the effect of curtailments) and gains or losses on settlements) and net interest on the net defined benefit liability/(asset) are charged to Statement of total comprehensive income and are included in personnel expenses. The defined benefit obligation net of plan assets is recorded on the statement of financial position, with changes resulting from remeasurements (comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan asset (excluding interest) recognized immediately in OCI, with no subsequent recycling to profit or loss, in order to fully reflect the full value of the plan deficit or surplus.

2.18 Income taxes

Income tax payable on profits, based on the applicable tax law, is recognised as an expense in the period in which profits arise. Deferred tax is accounted for using the balance sheet liability method. The temporary differences arise between the carrying amounts of assets and liabilities in the statement of financial position and their amounts as measured for tax purposes. Deferred tax assets relating to the unused tax losses carried forward are recognised to the extent that it is probable that sufficient taxable profits will be available in the future against which these losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted or substantially enacted at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax advances against current income tax liabilities and when they relate to income taxes levied by the same taxation authority and the management intends to settle its current tax assets and liabilities on a net basis. Deferred income tax, related to fair value changes, which are charged or credited to other comprehensive income, is also credited or charged to other comprehensive income where applicable and is subsequently recognized in the statement of total comprehensive income together with the deferred gain or loss.

2.19 Debt securities in issue and other borrowed funds

Debt securities issued and other borrowed funds are initially recognized at fair value net of transaction costs incurred. Subsequent measurement is at amortized cost and any difference between net proceeds and the redemption value of debt securities issued and other borrowed funds is recognized in the statement of total comprehensive income over the period of borrowings using the effective interest rate method. Interest expenses are recognized on an accrual basis.

The mid-long term borrowed funds of the Company consists of bond loan issued according to Law 3156/2003 and overdraft accounts.

2.20 Share capital

Share issue costs: Incremental external costs directly attributable to the issue of shares are deducted from equity net of any related income tax benefit.

Dividends on ordinary shares: Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Company’s Shareholders at the Annual General Assembly.

2.21 Related party transactions

Related parties include entities of National Bank of Greece (NBG) Group. Furthermore, related parties include directors, their close relatives, companies owned or controlled by them and companies over which they can influence the financial and operating policies. All related party transactions are made on substantially the same terms, including interest rates and collateral, as with those prevailing at the same time for comparable transactions with non-related parties and do not involve inherent risk.

NOTE 3: Critical judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, income and expense in the Company’s financial statements and accompanying notes. The Company believes that the judgments, estimates and assumptions used in the preparation of the financial statements are appropriate given the factual circumstances as of 31 December 2021.

The most significant areas, for which judgments, estimates and assumptions are required in applying the Company's accounting policies, are the following:

Measurement uncertainty in determination of ECL estimates

The calculation of ECL requires management to apply significant judgment and make estimates and assumptions that involve significant uncertainty at the time they are determined. Changes to these estimates and assumptions can result in significant changes to the amount and timing of ECL to be recognised. The most significant sources of measurement uncertainty relate to the following ECL factors:

Determination of a significant increase of credit risk

The Company assesses whether a SICR has occurred since initial recognition based on qualitative and quantitative criteria that include significant management judgment. Refer to Note 2.6 for further information on the criteria applied. More stringent criteria could significantly increase the number of instruments being classified into Stage 2. All staging criteria and thresholds determined based on FLI are subject to validation by the parent Bank Model Validation Unit ("MVU"). Changes in the staging criteria are approved by the parent Bank Executive Committee and Board Risk Committee.

Model risk inherent in the IFRS 9 models

Compliance with the IFRS 9 impairment model requires the use of a variety of models. The complexity of the models as well as dependency to other model-based inputs is high therefore any changes in inputs and data (e.g. internal credit ratings, behavioural scores etc.), as well as new or revised models, may significantly affect ECL. The models are validated by the parent Bank MVU, in accordance with the parent Bank Model Validation Framework

Forward looking information

FLI is incorporated in the ECL measurement of collectively assessed loans and debt securities through the PD and LGD models. Management selects forward-looking scenarios and judges the suitability of respective weights to be applied. Each of the scenarios is based on Management's assumptions around future economic conditions in the form of macroeconomic, market and other factors. The Company applies three forward-looking macroeconomic scenarios, i.e. baseline, optimistic and pessimistic, with a probability weighting of 55%, 20% and 25%, respectively, developed by the parent Bank Economic Research and Analysis Division on a quarterly basis The macroeconomic scenarios and weighting of probabilities are approved by the parent Bank Financial Assets Impairment Provision and Write-off Committee and validated by the MVU at least on annual basis.

The macroeconomic variables utilised by the parent Bank, relate to Greek economic factors and the ECL allowance is mainly driven by the change in gross domestic product (GDP), The annual average 2021-2025 forecasts for each key variable and macroeconomic scenario are the following:

	Baseline	Optimistic	Pessimistic
GDP growth rate	3,0%	4,7%	-1,0%

If the assigned probability weighting of the pessimistic scenario was increased from 25% to 50%, with a corresponding decrease of the baseline scenario from 55% to 30%, the ECL allowance would increase by €173.1 thousand. If the assigned probability weighting of the optimistic scenario was increased from 20% to 40%, with a corresponding decrease of the baseline scenario from 55% to 35%, the ECL allowance would decrease by €11.8 thousand.

Pension benefits - Defined benefit obligation

The present value of defined benefit obligation is determined on an actuarial basis, using a number of assumptions such as discount rates, salary changes and benefits. These assumptions are ultimately determined based on the Company's salary increases each year. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

The Company have restated the comparative amounts with respect to the Annual Financial Statements published for 2020 please see Note 31 ".

Notes to the Financial Statements

NOTE 4: Net interest income

The net interest income is analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Interest earned on		
Amounts due from banks	2,255	3,417
Amounts due from customers	15,817,462	16,407,199
Total	**15,819,717**	**16,410,616**
Interest payable on		
Amounts due to banks	(783,028)	(796,933)
Amounts due to other financial institutions	(624,611)	(232,292)
Debt securities in issue	(5,097,119)	(5,734,945)
Lease liability	(7,873)	(11,196)
Total	**(6,512,631)**	**(6,775,366)**
Net interest income	**9,307,086**	**9,635,250**

NOTE 5: Net fee and commission income

Net fee and commission income is exclusively derived from factoring services.

Amounts in €	31.12.2021	31.12.2020
Commission income		
Business loans	8,553,426	7,425,501
Total	**8,553,426**	**7,425,501**
Commission expense		
Business loans	(175,781)	(172,874)
Other	(3,440,476)	(2,939,279)
Total	**(3,616,257)**	**(3,112,153)**
Net fee and commission income	**4,937,169**	**4,313,348**

Other commission expense of €3,440,476, includes a fee of €3,203,444 to the parent company National Bank of Greece S.A. for client recommendation services (2020: €2,939,279).

NOTE 6: Net trading income

Net trading income is calculated mainly from valuations of financial assets and liabilities and particularly from loans and advances to customers, current accounts and bond loans in foreign currencies.

Notes to the Financial Statements

NOTE 7: Personnel expenses

The personnel expenses are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
		As restated
Salaries	(793,480)	(760,291)
Social security costs	(177,480)	(189,726)
Defined benefit plans (Note 19)	(4,075)	(3,665)
Other staff related benefits	(47,961)	(44,749)
Total	**(1,022,996)**	**(998,431)**

The average number of employees for the Company during the period 1 January 2021 up to 31 December 2021 was 35 employees (2020: 34).

NOTE 8: General, administrative & other operating expenses

General, administrative and other operating expenses are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Rentals & software expenses	(93)	(81)
Duties and taxes	(1,668)	(2,032)
Promotion & advertising expenses	(84,033)	(89,835)
Insurance costs	(277,561)	(267,527)
Third party fees	(629,992)	(631,905)
Legal expenses	(8,564)	(2,985)
Travel expenses	(26,300)	(27,386)
Other operating expenses	(94,801)	(91,104)
Total	**(1,123,012)**	**(1,112,855)**

NOTE 9: Tax expense

The tax expense is analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
		As restated
Current tax	1,926,524	2,031,057
Occupational tax	1,000	1,000
Deferred taxes (Note 14)	512,792	1,080,601
Total	**2,440,316**	**3,112,658**

The reconciliation between current and effective tax rate is as follows:

Amounts in €	31.12.2021	31.12.2020
		As restated
Profit before tax	13,680,108	12,551,286
Tax calculated based on the current tax rate 22% (2020: 24%)	3,009,624	3,012,309
Increase/(Decrease) arising from:		
Expenses not deductible for tax purposes	(96,180)	99,349
Effect of changes in tax rates	(474,128)	-
Occupational tax	1,000	1,000
Income tax expense	**2,440,318**	**3,112,658**
Effective tax rate for the period	**17,8%**	**24,8%**

The current income tax liability as of 31 December 2021 and 2020 is analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Current income tax liability	1,926,524	2,031,057
Increase/(Decrease) arising from:		
Current income tax advance	(1,421,740)	(2,331,558)
Total income tax liability	**504,784**	**(300,501)**

In accordance with Article 120 of Greek Law 4799/2021 (Government Gazette #A78/18.5.2021), effective from 01.01.2021, the corporate income tax rate for legal entities, other than credit institutions, was reduced to 22% from 24%. Furthermore, following the law 4646/2019, the withholding tax on dividends to the same persons distributed from 1 January 2020 onwards is decreased from 10% to 5%. Profit distributions to parent company National Bank of Greece S.A. are not surcharged to additional withholding tax (article 82 of Law 4172/2013).

The unaudited tax year of the Company is 2021 and is currently being audited by the audit firm "PricewaterhouseCoopers S.A." that, also conducts the statutory audit of the Company's financial statements. During the future tax audits from the tax authorities, additional tax liabilities may arise, but it is not expected that they will have material effect on the Company's financial statements. The years 2011-2016 were audited by the independent auditors of the Company, the "Deloitte Certified Public Accountants S.A.", in accordance with article 82 of Law 2238/1994 and subsequently with article 65A of Law 4174/2013 and the related tax audit certificates, were unqualified and issued on 19 July 2012, 24 September 2013, 8 July 2014, 25 September 2015, 20 September 2016, 23 October 2017, 9 October 2018, 3 October 2019, 1 October 2020 and 8 October 2021 respectively. The right of the Greek tax authority to issue an income tax statement until the fiscal year of 2012 was time-barred as at 31.12.2018. From tax years from 2014 onwards, according to Ministerial Decision 1006/2016 there is no exception from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and its tax audit certificate was unqualified. Therefore, the tax authorities may re-audit the tax books of the Company for previous years for which a tax audit certificate has been issued by the independent auditor. Although, during the future tax audits from the tax authorities, additional tax liabilities may arise, but it is not expected that they will have material effect on the Company's financial statements.

NOTE 10: Cash and balances with banks

Cash and balances with banks are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Cash in hand	913	385
Sight deposits	28,144,746	18,557,778
Total	**28,145,659**	**18,558,163**

Notes to the Financial Statements

NOTE 11: Loans and advances to customers

Loans and advances to customers are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Domestic Factoring with recourse	243,959,652	196,245,942
Domestic Factoring without recourse	168,028,000	126,882,046
Invoices discounting	123,958,223	39,196,808
International Factoring	44,883,256	104,520,708
Total	**580,829,131**	**466,845,504**
Less: Allowance for impairment on loans and advances to customers	(2,627,842)	(3,853,614)
Total loans and advances to customers	**578,201,289**	**462,991,890**

Loans and advances to customers at amortised cost 2021

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired		Total
			Individually assessed	Collectively assessed	
Large corporate					
Gross carrying amount	334,346,421	39,708,196	991,764	4,285	375,050,666
ECL allowance	(171,165)	(158,131)	(991,549)	(103)	(1,320,948)
Net carrying amount	**334,175,256**	**39,550,065**	**215**	**4,182**	**373,729,718**
SME's					
Gross carrying amount	189,765,343	7,729,098	752,858	7,385	198,254,684
ECL allowance	(135,965)	(34,652)	(752,652)	(258)	(923,527)
Net carrying amount	**189,629,378**	**7,694,446**	**206**	**7,127**	**197,331,157**
Small Business Lending					
Gross carrying amount	7,160,989	-	360,799	1,993	7,523,781
ECL allowance	(22,465)	-	(360,799)	(103)	(383,367)
Net carrying amount	**7,138,524**	**-**	**-**	**1,890**	**7,140,414**
Total loans and advances to customers					
Gross carrying amount	531,272,753	47,437,294	2,105,421	13,663	580,829,131
ECL allowance	(329,595)	(192,783)	(2,105,000)	(464)	(2,627,842)
Net carrying amount	**530,943,158**	**47,244,511**	**421**	**13,199**	**578,201,289**

Loans and advances to customers at amortised cost 2020

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired		Total
			Individually assessed	Collectively assessed	
Large corporate					
Gross carrying amount	282,355,515	17,416,496	981,651	12,149,420	312,903,082
ECL allowance	(180,184)	(112,202)	(981,549)	(1,265,948)	(2,539,883)
Net carrying amount	**282,175,331**	**17,304,294**	**102**	**10,883,472**	**310,363,199**
SME's					
Gross carrying amount	139,178,306	7,105,772	755,698	589,780	147,629,556
ECL allowance	(86,583)	(39,062)	(755,552)	(62,984)	(944,181)
Net carrying amount	**139,091,723**	**7,066,710**	**146**	**526,796**	**146,685,375**
Small Business Lending					
Gross carrying amount	5,951,787	-	361,079	-	6,312,866
ECL allowance	(8,651)	-	(360,899)	-	(369,550)
Net carrying amount	**5,943,136**	**-**	**180**	**-**	**5,943,316**
Total loans and advances to customers					
Gross carrying amount	427,485,608	24,522,268	2,098,428	12,739,200	466,845,504
ECL allowance	(275,418)	(151,264)	(2,098,000)	(1,328,932)	(3,853,614)
Net carrying amount	**427,210,190**	**24,371,004**	**428**	**11,410,268**	**462,991,890**

Loans and advances to customers that are classified in Stage 3 due to an objective indication of impairment (i.e. an increased credit risk) and for which no individual impairment has been received, are subjected as “performing” exposures, as they are mostly collaterized by highly rated debtors receivables liquidated within the approved resource period.

As at 31 December 2020 the Company retained collaterals secured the credit risk exposure of loans and advances to customers derives from factoring contracts. The aforementioned collaterals mainly consists of clients invoices and receivable cheques and secondarily of Greek State government bonds. More information about the nominal value of collaterals are stated to Note 27.2.

Movement in the ECL allowance on loans and advances to customers 2021

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Balance 31.12.2020 and 01.01.2021	**275,418**	**151,264**	**3,426,932**	**3,853,614**
Transfer to stage 1 (from 2 or 3)	35,611	(35,611)	-	-
Transfer to stage 2 (from 1 or 3)	(22,938)	90,467	(67,529)	-
Transfer to stage 3 (from 1 or 2)	(206)	-	206	-
Net remeasurement of loss allowance (a)	(32,911)	(84,212)	(1,254,372)	(1,371,495)
Impairment losses on new assets (b)	74,621	70,875	227	145,723
Impairment losses on loans (a+b)	**41,710**	**(13,337)**	**(1,254,145)**	**(1,225,772)**
Balance 31.12.2021	**329,595**	**192,783**	**2,105,464**	**2,627,842**

Notes to the Financial Statements

Movement in the ECL allowance on loans and advances to customers 2020

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Balance 31.12.2019 and 01.01.2020	**300,796**	**31,640**	**4,731,034**	**5,063,470**
Transfer to stage 1 (from 2 or 3)	1,717	(269)	(1,448)	-
Transfer to stage 2 (from 1 or 3)	(89,199)	124,596	(35,397)	-
Transfer to stage 3 (from 1 or 2)	(147,619)	(713,300)	860,919	-
Net remeasurement of loss allowance (a)	106,292	671,771	(2,129,021)	(1,350,958)
Impairment losses on new assets (b)	103,431	36,826	845	141,102
Impairment losses on loans (a+b)	**209,723**	**708,597**	**(2,128,176)**	**(1,209,856)**
Balance 31.12.2020	**275,418**	**151,264**	**3,426,932**	**3,853,614**

NOTE 12: Software and other intangible assets

Software and other intangible assets are analyzed as follows:

Amounts in €	Software	Total
Cost at 1 January 2020	606,542	606,542
Additions	-	-
Cost at 31 December 2020	**606,542**	**606,542**
Accumulated depreciation at 1 January 2020	**(260,338)**	**(260,338)**
Depreciation	(39,957)	(39,957)
Accumulated depreciation at 31 December 2020	**(300,295)**	**(300,295)**
Net book amount at 31 December 2020	**306,247**	**306,247**
Cost at 1 January 2021	606,542	606,542
Additions	157,667	157,667
Cost at 31 December 2021	**764,209**	**764,209**
Accumulated depreciation at 1 January 2021	**(300,295)**	**(300,295)**
Depreciation expense for the period	(67,570)	(67,570)
Accumulated depreciation at 31 December 2021	**(367,865)**	**(367,865)**
Net book amount at 31 December 31.12.2021	**396,344**	**396,344**

The additions during 2021 relates to the procurement of new software, whereas are in production environment since 1 January 2022.

Notes to the Financial Statements

NOTE 13: Property and equipment

Property and equipment is analyzed as follows:

Amounts in €	Equipment	Buildings – RoU Asset	Vehicles – RoU Asset	Total
Cost at 1 January 2020	**58,777**	**527,165**	**107,359**	**693,301**
Additions	950	-	-	950
Modifications / Remeasurements	-	(118,355)	(22,989)	(141,344)
Cost at 31 December 2020	**59,727**	**408,810**	**84,370**	**552,907**
Accumulated depreciation at 1 January 2020	(54,501)	(50,825)	(25,520)	(130,846)
Depreciation expense for the period	(1,128)	(48,292)	(21,415)	(70,835)
Accumulated depreciation at 31 December 2020	**(55,629)**	**(99,117)**	**(46,935)**	**(201,681)**
Net book amount at 31 December 2020	**4,098**	**309,693**	**37,435**	**351,226**
Cost at 1 January 2021	**59,727**	**408,810**	**84,370**	**552,907**
Additions	611	-	-	611
Modifications / Remeasurements	-	-	-	-
Cost at 31 December 2021	**60,338**	**408,810**	**84,370**	**553,518**
Accumulated depreciation at 1 January 2021	(55,629)	(99,117)	(46,935)	(201,681)
Depreciation expense for the period	(1,185)	(41,929)	(15,668)	(58,782)
Accumulated depreciation at 31 December 2021	**(56,814)**	**(141,046)**	**(62,603)**	**(260,463)**
Net book amount at 31 December 2021	**3,524**	**267,764**	**21,767**	**293,055**

NOTE 14: Deferred tax assets and liabilities

Deferred tax assets and liabilities are analyzed as follows:

Amounts in €	Balance 31/12/2020	Recognition in Total Comprehensive Income	Recognition in Other Comprehensive Income	Recognition in Equity	Balance 31/12/2021
Deferred tax assets:					
Share capital issue costs	5,799	(2,820)		-	2,979
Retirement benefit obligations	3,177	709	(128)	-	3,758
Debt securities issue costs	702	(702)	-	-	-
RoU assets	2,434	501	-	-	2,935
Total deferred tax assets	**12,112**	**(2,312)**	**(128)**	**-**	**9,672**
Deferred tax liabilities:					
Loans and advances to customers	(5,655,740)	(508,180)	-	-	(6,163,920)
Long term amortization expenses	(45,008)	12,373	-	-	(32,635)
Debt securities issue costs	-	(14,673)	-	-	(14,673)
Total deferred tax liabilities	**(5,700,748)**	**(510,480)**	**-**	**-**	**(6,211,228)**
Net deferred tax liability	**(5,688,636)**	**(512,792)**	**(128)**	**-**	**(6,201,556)**

Amounts in €	Balance 31/12/2019	Recognition in Total Comprehensive Income	Recognition in Other Comprehensive Income	Recognition in Equity	Balance 31/12/2020
					As restated
Deferred tax assets:					
Share capital issue costs	9,639	(3,840)	-	-	5,799
Retirement benefit obligations	36,174	(23,863)	(9,134)	-	3,177
Debt securities issue costs	-	702	-	-	702
RoU assets	1,903	531	-	-	2,434
Total deferred tax assets	**47,716**	**(26,740)**	**(9,134)**	**-**	**12,112**
Deferred tax liabilities:					
Loans and advances to customers	(4,561,578)	(1,094,162)	-	-	(5,655,740)
Long term amortization expenses	(54,598)	9,590	-	-	(45,008)
Debt securities issue costs	(5,698)	5,698	-	-	-
Total deferred tax liabilities	**(4,621,874)**	**(1,078,874)**	**-**	**-**	**(5,700,748)**
Net deferred tax liability	**(4,574,158)**	**(1,105,344)**	**(9,134)**	**-**	**(5,688,636)**

The Company has offset the deferred tax assets and deferred tax liabilities based on the legally enforceable right to set off current tax assets against current tax liabilities, resulting from main income tax expense.

Notes to the Financial Statements

NOTE 15: Other assets

Other assets are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Prepaid expenses	51,616	71,690
Vendors’ prepayments	8,980	8,980
Total	**60,596**	**80,670**

Other assets consist of prepaid expenses for subscriptions, premiums, fees for IT services and vendors’ prepayments.

NOTE 16: Due to banks (or financial institutions)

Due to banks (or financial institutions) are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Due to banks	36,978,030	12,410,601
Due to financial institutions	50,051,389	50,047,847
Total	**87,029,419**	**62,458,448**

Due to banks consists of a loan facility (overdraft account) between the Company and its Parent Company (National Bank of Greece S.A.).

On 19 December 2019 the Company entered into a revolving credit facility agreement with European Bank for Reconstruction and Development (“EBRD”), matured at six month period with a renewal right, Under this agreement the Company applies a revolving credit facility amounting to €10,000,000. Interest rate is calculated with three (3) or six (6) month Euribor at the discretion of the issuer, plus margin. On 20 July 2020 the Company activated the aforementioned credit facility.

On 13 July 2020 the Company entered into a revolving credit facility agreement with Black Sea Trade and Development Bank (‘’BSTDB’’), matured annualy with a renewal right. Under this agreement the Company applies a revolving credit facility amounting to €40,000,000. Interest rate is calculated with one (1) month Euribor, plus margin. On 30 July and 6 November 2020 the Company activated the aforementioned credit facility, whereas on 26 April 2021repaid the capital and the respective accrued interests. On 15 June 2021 the Company re-activated the aforementioned credit facility.

Movement of due to banks (or financial institutions)

Amounts in €	2021	2020
Balance at 1 January	**62,458,448**	**67,526,535**
Additions within the period	53,096,821	50,000,000
Redemptions within the period	(28,577,239)	(55,155,365)
Accrued interest	51,389	87,278
Balance at 31 December	**87,029,419**	**62,458,448**

NOTE 17: Debt securities in issue

Bond Loans

On 23 June 2021 the Company entered into a bond loan agreement with its parent company National Bank of Greece S.A., matured at 29 June 2024, in accordance with the provisions of Laws 3156/2003 and 4548/2018. Under this agreement the Company has the right to issue a bond loan amounting to €300,000,000, divided into 300 million bonds with nominal amount of €1 per bond. Interest rate is calculated with the Euribor rate or the one-month, three-month or six month Euribor at the discretion of the issuer, plus margin.

On 31 December 2021 the Company issued the bond loan amounted to €280,000,000 according to the referred agreement. The fair value of the aforementioned bond loan at 31 December 2021 was calculated to €273,163,021, according to Level 3 valuation, based on a cash flow discounting model, with reference to market rates for financial instruments of a similar maturity.

On 23 Ιουνίου 2021 the Company entered into a bond loan agreement with its parent company National Bank of Greece S.A., matured at 29 June 2024, in accordance with the provisions of Laws 3156/2003 and 4548/2018, Under this agreement the Company has the right to issue a bond loan amounting to €80,000,000 divided into 80 million bonds with nominal amount of €1 per bond, Interest rate is calculated with the Euribor rate or the one-month, three-month or six month Libor at the discretion of the issuer, plus margin.

On 31 December 2021 the Company issued the bond loan amounted to €80,000,000 according to the referred agreement. The fair value of the aforementioned bond loan was calculated 31 December 2021 to €77,655,924, according to Level 3 valuation, based on a cash flow discounting model, with reference to market rates for financial instruments of a similar maturity.

On 23 June 2021 the Company entered into a bond loan agreement with its parent company National Bank of Greece S.A., matured at 29 June 2024, in accordance with the provisions of Laws 3156/2003 and 4548/2018, Under this agreement the Company has the right to issue a bond loan amounting to $60.000.000, divided into 60 million bonds with nominal amount of €1 per bond, Interest rate is calculated with the Libor rate or the one-month, three-month or six month Libor at the discretion of the issuer, plus margin.

On 31 31 December 2021 the Company issued the bond loan amounted to $60,000,000 according to the referred agreement. The fair value of the aforementioned bond loan was calculated at 31 December 2020 to $59,482.329 according to Level 3 valuation, based on a cash flow discounting model, with reference to market rates for financial instruments of a similar maturity.

On 29 June 2021, the Company fully repaid the capital amounted to €300,000,000 and the respective accrued interests of preexisting bond loan agreement which was issued at 9 July 2018.

On 14 April 2021, the Company fully repaid the capital amounted to $11,000,000 and the respective accrued interests of preexisting bond loan agreement which was issued at 9 July 2018.

Movement of debt securities in issue

Amounts in €	2021	2020
Balance at 1 January	**324,728,336**	**299,976,667**
Additions within the period	520,485,228	178,191,371
Redemptions within the period	(432,267,807)	(153,487,137)
Accrued interest	25,852	20,768
Debt securities issue costs	(70,000)	26,667
Balance at 31 December	**412,901,609**	**324,728,336**

The bond loans are fully payable at the maturity date 29 Ιουνίου 2024 The issuer has the right to redeem the bond loans during the contract period provided that will repay the capital and the respective accrued interests. The accrued interest at 31 December 2021 for the bond loan amounted to €25,852.

NOTE 18: Due to customers

Due to customers account balance consists of the credit amounts of current and other due from customer management accounts which have not been reimbursed to them at the reporting date. Due to customers account balances as of 31 December 2021 and 2020 are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Overdraft accounts	5,781,688	2,757,579
Collection-only accounts	2,682,054	5,911,584
Total	**8,463,742**	**8,669,163**

NOTE 19: Retirement benefit obligations

In accordance with Law 2112/1920 employees are entitled to a lump sum payment in case of redundancy or retirement, The lump sum benefit is based on each employee's final salary and the years of service upon the retirement date. If the employee remains to the company until the expected retirement date the retirement compensation is calculated at 40% of the total compensation if the employee was redundant at the same date.

liabilities related to employee benefit arrangements are recognised and measured by the Company in accordance with revised IAS 19. The specific retirement benefit of Company is an unfunded defined benefit plan.

In accordance with Greek Law 4046/2012 and Board of Ministers' Decision (6/28.2.2012), from 14 February 2012 onwards, the employment contracts that lapse on attainment of the normal retirement age or based on the particular retirement conditions, are considered as indefinite duration employment contracts and therefore, the provisions for employees statutory retirement indemnity of Greek Law 2112/1920, are applied.

Prior to the enactment of the above Law, the Bank considered the employment contracts with its employees as finite duration contracts; therefore, no provision for staff leaving indemnity was recognized.

On 12 November 2012, the new Greek Law 4093/2012 (GG A' 222) decreased the Greek Law 2112/1920 statutory indemnity scale in case of employee dismissal or normal retirement. The new law restricts the maximum indemnity payable to an employee upon dismissal or retirement, to 12 monthly salaries instead of 24.

The transitional provisions of the law state that for employees who on 12 November 2012 had 17 or more full years of service to the same employer there is an additional monthly salary as indemnity per year and up to 24 monthly salaries. In case of dismissal the additional monthly salary is restricted to 2,000 euros.

Implementation of the IFRS Interpretations Committee Decision relating to the provisions for staff indemnity relating to the accounting for the allocation of the cost of provision for staff indemnity due to retirement based on IAS 19 Employee Benefits

In May 2021, the IFRS Interpretations Committee ("IFRIC") issued the final decision ("Decision") on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19". Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past in this regard, and consequently, according to what is defined in the IASB Due Process Handbook (par. 8.6) is differentiated. Therefore, entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policies in this regard.

This Decision defines accounting treatment for the formation of the employee benefits for statutory indemnity due to retirement, where according to the provision of the Greek legislation (Greek Law 3198/1955) is capped at 16 years of service within the entity.

The Company followed the implemented guidelines of parent Bank and adopted the aforementioned Decision which resulted in a change in accounting method the retroactive effect of which was recorded in the Company's equity as at 1 January 2020 (see Note 31 "Restatement").

Notes to the Financial Statements

Pension costs – defined benefit plans

	31.12.2021	31.12.2020
		As restated
Service cost	4,009	3,582
Net interest expense on the net defined benefit liability/(asset)	66	83
Regular charge in the Total Comprehensive Income	**4,075**	**3,665**

Reconciliation of defined benefit obligation

	31.12.2021	31.12.2020
		As restated
Defined benefit obligation at the beginning of the period	13,240	8,303
Service cost	4,009	3,582
Interest cost	66	83
- Loss/(Gain) - financial assumptions	-	782
- Loss/(Gain) – experience adjustments	(240)	490
Defined benefit obligation recognized at SOFP	**17,075**	**13,240**

Movement in net liability

	31.12.2021	31.12.2020
		As restated
Net liability at the beginning of the period	13,240	150,725
Adjustment due to change in accounting policy	-	(142,422)
Total expense recognized in the statement of total comprehensive income	4,075	3,665
Amount recognized in the OCI	(240)	1,272
Net liability at the end of the period	**17,075**	**13,240**

Remeasurements on the net liability

	31.12.2021	31.12.2020
		As restated
Liability (gain)/loss due to changes in assumptions	-	(782)
Liability experience (gain)/loss arising during the year	240	(490)
Total amount recognized in OCI	**240**	**(1,272)**

The actuarial report was developed by the accredited company "AON Hewitt" after the year end of 2020. The key assumptions used for the calculation of the pension costs of the defined benefits plans for 2021 and 2020 are the following:

Weighted average assumptions	2021	2020
		As restated
Discount rate	0,50%	0,50%
Price inflation	2,00%	1,50%
Rate of compensation increase	1,50%	1,50%
Plan duration	11,27	12,27

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet.

Sensitivity analysis of significant actuarial assumptions-Group

Actuarial assumption	Change in Assumptions	31 December2021 Increase / (decrease) in defined benefit obligation
Discount rate	Increase by 50 basis points	-5,4%
	Decrease by 50 basis points	5,8%
Price inflation	Increase by 50 basis points	3,1%
	Decrease by 50 basis points	-2,9%
Rate of compensation increase	Increase by 50 basis points	2,6%
	Decrease by 50 basis points	-2,5%
Pension growth rate	Increase by 50 basis points	-%
	Decrease by 50 basis points	-%
Life Expectancy	Plus 1 year	0,6%
	Minus 1 year	-0,7%

No compensation costs are expected to occur in 2022.

NOTE 20: Other liabilities

Other liabilities are analyzed as follows:

Amounts in €	31.12.2021	31.12.2020
Taxes payable – (other than income taxes)	320,331	126,623
Social security funds	43,599	42,007
Creditors	1,667,209	2,091,591
Accrued expenses and deferred income	10,664	19,200
Payroll related accruals	1,173	1,280
Lease liability	302,874	357,268
Other	400	300
Total	**2,346,250**	**2,638,269**

Creditors amounted €1,667,209, includes €1,185,450 (2020: €1,790,796), to the parent company National Bank of Greece S.A. for client recommendation services. This liability was fully repaid on 26 January 2022.

Movement of lease liability

Amounts in €	2021	2020
Balance at 1 January	**357,268**	**566,109**
Additions	611	950
Modifications / Remeasurements	-	(141,344)
Interest Expense	7,873	11,196
Lease payments during the year	(62,878)	(79,643)
Balance at 31 December	**302,874**	**357,268**

NOTE 21: Share capital and share premium

The share capital of the Company as at 31 December 2021 amounted to €20,000,000, divided into 4,000,000 ordinary shares with a nominal value of €5,0 per share, The remaining amount of €30,000,000 was credited to share premium.

The Company did not hold any own shares.

Notes to the Financial Statements

NOTE 22: Reserves

Statutory reserve

Reserves include statutory reserve which is formed in accordance with article 5 of Company's Articles of Association and article 158 of Greek Law 4548/2018, under which the company is required to withhold from its profits 5% per year for statutory reserve. The aforementioned obligation ceases until this reserve equals to at least one-third of the Company's share capital, According to the aforementioned Article this reserve is used exclusively to cover cumulative debit balance of account "Retained earnings" and cannot be distributed throughout the entire life of the Company.

At 30 June 2021 the annual General Assembly of Shareholders decided to form statutory reserve of €471,489, derived from the profits of financial year 31 December 2020.

The total statutory reserve for the period ended at 31 December 2021 amounted to €4,608,205.

NOTE 23: Retained earnings

Retained earnings at 31 December 2021 and 2020 amounted to €35,027,028 and €24,258,725 respectively.

Retained earnings as of 31 December 2021 are analyzed as follows:

Amounts in €	
Retained earnings	35,190,028
Capital issue costs, net of tax	(163,900)
Total	**35,027,028**

The capital issue costs were realized at fiscal year of 2009 and 2013.

For the financial year ended at 31 December 2021, , the Board of Directors will propose to the Annual General Assembly of Shareholders the formation of statutory reserve amounting to €561,990, according to Greek Law 4548/2018, and non-dividend distribution.

NOTE 24: Tax effects relating to other comprehensive income / (expense) for the period

Amounts in €	From 1.1 to 31.12.2021			From 1.1 to 31.12.2020		
	Gross	Tax	Net	Gross	Tax	Net
						As restated
Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of the net defined benefit liability/ asset	240	(128)	112	(1,272)	305	(967)
Total of items that will not be reclassified subsequently to profit or loss	**240**	**(128)**	**112**	**(1,272)**	**305**	**(967)**
Other comprehensive income/(expense) for the period	**240**	**(128)**	**112**	**(1,272)**	**305**	**(967)**

NOTE 25: Fair value of financial instruments

According to IFRS the companies should disclose the fair value of their reported financial assets and financial liabilities.

Management considers that the carrying amount of financial assets and financial liabilities, as presented in the financial statements are not materially different from their fair values, as either their maturity is less than one year or they bear floating interest rate.

NOTE 26: Contingent liabilities and commitments

a) Legal proceedings
In the opinion of the management, after consultation with its legal consultant there are not pending litigations cases that are expected to have a material adverse effect on the financial position of the Company.

b) Pending Tax audits

In accordance with Article 120 of Greek Law 4799/2021 (Government Gazette #A78/18.5.2021), effective from 01.01.2021, the corporate income tax rate for legal entities, other than credit institutions, was reduced to 22% from 24%. Furthermore, following the law 4646/2019, the withholding tax on dividends to the same persons distributed from 1 January 2020 onwards is decreased from 10% to 5%. Profit distributions to parent company National Bank of Greece S.A. are not surcharged to additional withholding tax (article 82 of Law 4172/2013).

The unaudited tax year of the Company is 2021 and is currently being audited by the audit firm "PricewaterhouseCoopers S.A." that, also conducts the statutory audit of the Company's financial statements. During the future tax audits from the tax authorities, additional tax liabilities may arise, but it is not expected that they will have material effect on the Company's financial statements The years 2011-2016 were audited by the independent auditors of the Company, the "Deloitte Certified Public Accountants S.A.", in accordance with article 82 of Law 2238/1994 and subsequently with article 65A of Law 4174/2013 and the related tax audit certificates, were unqualified and issued on 19 July 2012, 24 September 2013, 8 July 2014, 25 September 2015, 20 September 2016, 23 October 2017, 9 October 2018, 3 October 2019, 1 October 2020 and 8 October 2021 respectively. The right of the Greek tax authority to issue an income tax statement until the fiscal year of 2012 was time-barred as at 31.12.2018. From tax years from 2014 onwards, according to Ministerial Decision 1006/2016 there is no exception from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and its tax audit certificate was unqualified. Therefore, the tax authorities may re-audit the tax books of the Company for previous years for which a tax audit certificate has been issued by the independent auditor. Although, during the future tax audits from the tax authorities, additional tax liabilities may arise, but it is not expected that they will have material effect on the Company's financial statements.

c) Unutilized credit limits and credit coverage limits

Contingent liabilities of the Company from unutilized credit limits and credit coverage limits as at 31 December 2021 amounted to €873,805,099 (2020: €924,940,594).

NOTE 27: Risk management

Risk management is assigned to the specific risk management department of the Parent Company (National Bank of Greece S.A.), according to the relevant outsourcing contract signed between the two parties,

27.1 Credit risk

Credit risk is defined as current or future risk to earnings and capital, relating to the failure of a borrower to honour its contractual factoring obligations with the Company.

According to the referred contractual agreement, the credit risk valuation for debtors and sellers is coordinated by the relevant departments and the related approval authorities of National Bank of Greece S.A. Furthermore, the management of customer receivables which are past due is in line with the principles of management of non-performing loans followed by the Parent Company National Bank of Greece S.A.

The segregation of offered factoring products (Domestic Factoring with recourse, Domestic Factoring without recourse, Invoices discounting, International Factoring) relates to the different credit risk exposure for each of them. The separation of factoring products by credit risk exposure mainly relates to Factoring with recourse, where the credit risk derives from debtors, and Factoring without recourse where credit risk derives from sellers. In each case the valuation models of credit risk are adjusted (debtor or seller) accordingly.

The Company's credit policy adheres to the Credit Policy for Corporate Portfolio of National Bank of Greece S.A., as provided by the internal manuals, circulars and regulations.

The Company's customers credit risk rating system, which adheres to the corresponding system of the parent Company (National Bank of Greece S.A.), refers to methodologies, processes, controls, IT and database systems supporting the assessment of credit risk and obligors and classification of obligors and credit facilities in risk categories or in groups with similar risk characteristics, as well as the quantification of risk parameters, i.e., default and loss for each obligor and risk rating.

The following tables represent the scenario of Company's credit risk exposure as at 31 December 2021 and 2020, taking account the accumulated provisions for impairment losses on loans and advances to customers, before any collateral held or other credit enhancements attached. For on-balance sheet assets, the exposures set out below are based on net carrying amounts as reported in the statement of financial position.

Notes to the Financial Statements

Maximum exposure to credit risk as at 31.12.2021 before collateral and other credit enhancements

Amounts in €	Portfolio Credit exposures (w/o impairments)	Impairments	Portfolio net Credit exposures
Cash and balances with banks	28,145,659	-	28,145,659
Loans and advances to customers	580,829,131	(2,627,842)	578,201,289
Total	**608,974,790**	**(2,627,842)**	**606,346,948**

Maximum exposure to credit risk as at 31.12.2020 before collateral and other credit enhancements

Amounts in €	Portfolio Credit exposures (w/o impairments)	Impairments	Portfolio net Credit exposures
Cash and balances with banks	18,558,162	-	18,558,162
Loans and advances to customers	466,845,504	(3,853,614)	462,991,890
Total	**485,403,666**	**(3,853,614)**	**481,550,052**

Credit quality of loans and advances to customers 2021

A breakdown of the portfolio by range of probability of default is summarized as follows:

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Large corporate				
0,01%-2,00%	309,060,575	-	-	309,060,575
2,01%-10,00%	25,285,846	29,529,796	-	54,815,642
10,01%-20,00%	-	8,727,985	-	8,727,985
20,01% and above	-	1,450,415	996,049	2,446,464
Total Gross carrying amount	**334,346,421**	**39,708,196**	**996,049**	**375,050,666**
SME's				
0,01%-2,00%	179,708,740	-	-	179,708,740
2,01%-10,00%	10,056,603	6,442,336	-	16,498,939
10,01%-20,00%	-	1,286,408	-	1,286,408
20,01% and above	-	354	760,243	760,597
Total Gross carrying amount	**189,765,343**	**7,729,098**	**760,243**	**198,254,684**
Small Business Lending				
0,01%-2,00%	-	-	-	-
2,01%-10,00%	7,160,989	-	-	7,160,989
10,01%-20,00%	-	-	-	-
20,01% and above			362,792	362,792
Total Gross carrying amount	**7,160,989**	**0**	**362,792**	**7,523,781**
Total loans and advances to customers				
0,01%-2,00%	488,769,315	-	-	488,769,315
2,01%-10,00%	42,503,438	35,972,132	-	78,475,570
10,01%-20,00%	-	10,014,393	-	10,014,393
20,01% and above	-	1,450,769	2,119,084	3,569,853
Total Gross carrying amount	**531,272,753**	**47,437,294**	**2,119,084**	**580,829,131**

Notes to the Financial Statements

Credit quality of loans and advances to customers 2020

A breakdown of the portfolio by range of probability of default is summarized as follows:

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Large corporate				
0,01%-2,00%	211,559,149	-	-	211,559,149
2,01%-10,00%	70,796,366	16,815,624	-	87,611,990
10,01%-20,00%	-	-	-	-
20,01% and above	-	600,872	13,131,071	13,731,943
Total Gross carrying amount	**282,355,515**	**17,416,496**	**13,131,071**	**312,903,082**
SME's				
0,01%-2,00%	122,754,662	-	-	122,754,662
2,01%-10,00%	16,423,644	5,247,239	-	21,670,883
10,01%-20,00%	-	-	-	-
20,01% and above	-	1,858,533	1,345,478	3,204,011
Total Gross carrying amount	**139,178,306**	**7,105,772**	**1,345,478**	**147,629,556**
Small Business Lending				
0,01%-2,00%	-	-	-	-
2,01%-10,00%	5,951,787	-	-	5,951,787
10,01%-20,00%	-	-	-	-
20,01% and above	-	-	361,079	361,079
Total Gross carrying amount	**5,951,787**	**0**	**361,079**	**6,312,866**
Total loans and advances to customers				
0,01%-2,00%	334,313,811	-	-	334,313,811
2,01%-10,00%	93,171,797	22,062,863	-	115,234,660
10,01%-20,00%	-	-	-	-
20,01% and above	-	2,459,405	14,837,628	17,297,033
Total Gross carrying amount	**427,485,608**	**24,522,268**	**14,837,628**	**466,845,504**

Notes to the Financial Statements

Ageing analysis of loans and advances to customers 2021

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Large corporate				
Current	334,346,421	39,708,196	4,285	374,058,902
91-180 days	-	-	-	-
Past due over 180 days	-	-	991,764	991,764
Gross Balance 31.12.2021	**334,346,421**	**39,708,196**	**996,049**	**375,050,666**
ECL allowance	(171,165)	(158,131)	(991,652)	(1,320,948)
Net carrying amount as at 31.12.2021	**334,175,256**	**39,550,065**	**4,397**	**373,729,718**
SME's				
Current	189,765,343	7,729,098	7,385	197,501,826
91-180 days	-	-	-	-
Past due over 180 days	-	-	752,858	752,858
Gross Balance 31.12.2021	**189,765,343**	**7,729,098**	**760,243**	**198,254,684**
ECL allowance	(135,965)	(34,652)	(752,910)	(923,527)
Net carrying amount as at 31.12.2021	**189,629,378**	**7,694,446**	**7,333**	**197,331,157**
Small Business Lending				
Current	7,160,989	-	1,993	7,162,982
91-180 days	-	-	-	-
Past due over 180 days	-	-	360,799	360,799
Gross Balance 31.12.2021	**7,160,989**	**-**	**362,792**	**7,523,781**
ECL allowance	(22,465)	-	(360,902)	(383,367)
Net carrying amount as at 31.12.2021	**7,138,524**	**-**	**1,890**	**7,140,414**
Total loans and advances to customers				
Current	531,272,753	47,437,294	13,663	578,723,710
91-180 days	-	-	-	-
Past due over 180 days	-	-	2,105,421	2,105,421
Gross Balance 31.12.2021	**531,272,753**	**47,437,294**	**2,119,084**	**580,829,131**
ECL allowance	(329,595)	(192,783)	(2,105,464)	(2,627,842)
Net carrying amount as at 31.12.2021	**530,943,158**	**47,244,511**	**13,620**	**578,201,289**

Notes to the Financial Statements

Ageing analysis of loans and advances to customers 2020

Amounts in €	Stage 1	Stage 2	Stage 3 Impaired	Total
Large corporate				
Current	282,355,515	17,416,496	12,149,420	311,921,431
91-180 days	-	-	-	-
Past due over 180 days	-	-	981,651	981,651
Gross Balance 31.12.2020	**282,355,515**	**17,416,496**	**13,131,071**	**312,903,082**
ECL allowance	(180,184)	(112,202)	(2,247,497)	(2,539,883)
Net carrying amount as at 31.12.2020	**282,175,331**	**17,304,294**	**10,883,574**	**310,363,199**
SME's				
Current	139,178,306	7,105,772	589,780	146,873,858
91-180 days	-	-	-	-
Past due over 180 days	-	-	755,698	755,698
Gross Balance 31.12.2020	**139,178,306**	**7,105,772**	**1,345,478**	**147,629,556**
ECL allowance	(86,583)	(39,062)	(818,536)	(944,181)
Net carrying amount as at 31.12.2020	**139,091,723**	**7,066,710**	**526,942**	**146,685,375**
Small Business Lending				
Current	5,951,787	-	-	5,951,787
91-180 days	-	-	-	-
Past due over 180 days	-	-	361,079	361,079
Gross Balance 31.12.2020	**5,951,787**	**-**	**361,079**	**6,312,866**
ECL allowance	(8,651)	-	(360,899)	(369,550)
Net carrying amount as at 31.12.2020	**5,943,136**	**-**	**180**	**5,943,316**
Total loans and advances to customers				
Current	427,485,608	24,522,268	12,739,200	464,747,076
91-180 days	-	-	-	-
Past due over 180 days	-	-	2,098,428	2,098,428
Gross Balance 31.12.2020	**427,485,608**	**24,522,268**	**14,837,628**	**466,845,504**
ECL allowance	(275,418)	(151,264)	(3,426,932)	(3,853,614)
Net carrying amount as at 31.12.2020	**427,210,190**	**24,371,004**	**11,410,696**	**462,991,890**

Notes to the Financial Statements

Credit exposures analysis of loans and advances to customers per industry sector

Amounts in €	31.12.2021	31.12.2020
Industry & mining	254,045,962	176,625,044
Small scale industry	7,512,496	7,091,488
Trade and services (excl, tourism)	316,836,461	280,523,175
Transportation and telecommunications (excl, shipping)	2,434,212	2,605,797
Less: Credit provisions and other impairment charges	(2,627,842)	(3,853,614)
Total	**578,201,289**	**462,991,890**

As at 31 December 2021 the collaterals secured the credit risk exposure of loans and advances to customers mainly consists of clients invoices and receivable cheques and secondarily of Greek State government bonds. The fair value of the above mentioned collaterals amounted to €495,933,735 (2020: €436,140,322). These collaterals do not include customer receivables for factoring loans without recourse and credit balance as at 31 December 2021.

27.2 Market risk

27.2.1 Currency risk

The Company's exposure to foreign exchange risk, is presented in the following table. The net exposure to each foreign currency is maintained at low levels and within the pre-approved limits. The Company's exposure to foreign exchange risk as of 31 December 2021 and 2020 are analyzed as follows:

Foreign exchange risk concentration 2021

Amounts in €	EURO	USD	GBP	Total
Assets				
Cash and balances with banks	27,880,588	243,315	21,756	28,145,659
Loans and advances to customers	506,574,645	71,626,644	-	578,201,289
Software and other intangible assets	396,344	-	-	396,344
Property and equipment	293,055	-	-	293,055
Other assets	60,596	-	-	60,596
Total assets	**535,205,228**	**71,869,959**	**21,756**	**607,096,943**
Liabilities				
Due to banks	75,554,871	11,474,548	-	87,029,419
Debt securities in issue	359,935,722	52,965,887	-	412,901,609
Due to customers	8,461,743	1,863	136	8,463,742
Deferred tax liabilities	6,201,555	-	-	6,201,555
Retirement benefit obligations	17,075	-	-	17,075
Current income tax liabilities	504,784	-	-	504,784
Other liabilities	2,346,250	-	-	2,346,250
Total liabilities	**453,022,000**	**64,442,298**	**136**	**517,464,434**
Net on balance sheet position	**82,183,228**	**7,427,661**	**21,620**	**89,632,507**

Foreign exchange risk concentration 20120

amounts in €	EURO	USD	GBP	Total
				As restated
Assets				
Cash and balances with banks	17,234,751	1,302,943	20,469	18,558,163
Loans and advances to customers	414,938,604	48,053,286	-	462,991,890
Software and other intangible assets	306,247	-	-	306,247
Property and equipment	351,226	-	-	351,226
Current income tax asset	300,501	-	-	300,501
Other assets	80,670	-	-	80,670
Total assets	**433,211,999**	**49,356,229**	**20,469**	**482,588,697**
Liabilities				
Due to banks	62,458,448	-	-	62,458,448
Debt securities in issue	280,002,223	44,726,113	-	324,728,336
Due to customers	8,666,779	2,259	125	8,669,163
Deferred tax liabilities	5,688,636	-	-	5,688,636
Retirement benefit obligations	13,240	-	-	13,240
Current income tax liability	2,638,269	-	-	2,638,269
Other liabilities	**359,467,595**	**44,728,372**	**125**	**404,196,092**
Total liabilities	**73,744,404**	**4,627,857**	**20,344**	**78,392,605**

27.2.2 Interest rate risk

The Company monitors the gap in maturities between assets and liabilities (Gap Analysis). Assets and liabilities are classified in time buckets based on next re-pricing date. For floating rate financial instruments, next re-pricing date is the date of the preparation of financial statements while for fixed rate financial instruments is the maturity date. In order to provide a hedge for the interest rate risk, the Company determines, in a monthly basis, the rates of financial assets and liabilities (excluding their spreads). According to the aforementioned hedge any possible change of rates risk will not have an impact on the Company's statement of total comprehensive income.

Notes to the Financial Statements

The Company's interest rate risk relating to assets and liabilities based on next re-pricing date is summarized as follows:

Interest rate risk (Gap Analysis) as at 31.12.2021

Amounts in €	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	>5 years	Non Interest bearing	Total
ASSETS							
Cash & balances with banks	-	-	28,139,993	-	-	5,666	28,145,659
Loans and advances to customers	578,201,289	-	-	-	-	-	578,201,289
Other assets	-	-	-	-	-	60,596	60,596
Total assets	**578,201,289**	**0**	**28,139,993**	**-**	**-**	**66,262**	**606,407,544**
LIABILITIES							
Debt securities in issue	(412,824,368)	-	-	-	-	(77,241)	(412,901,609)
Due to customers	-	-	-	-	-	(8,463,742)	(8,463,742)
Other liabilities	-	-	-	-	-	(1,667,209)	(1,667,209)
Lease liability	(4,617)	(13,967)	(34,816)	(185,742)	(63,732)	-	(302,874)
Due to banks	-	-	(87,029,419)	-	-	-	(87,029,419)
Total Liabilities	**(412,828,985)**	**(13,967)**	**(87,064,235)**	**(185,742)**	**(63,732)**	**(10,208,192)**	**(510,364,853)**
Total interest gap of assets & liabilities	**165,372,304**	**(13,967)**	**(58,924,242)**	**(185,742)**	**(63,732)**	**(10,141,930)**	**96,042,691**

Interest rate risk (Gap Analysis) as at 31.12.2020

Amounts in €	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	>5 years	Non Interest bearing	Total
ASSETS							
Cash & balances with banks	-	-	18,474,913	-	-	83,249	18,558,162
Loans and advances to customers	462,991,890	-	-	-	-	-	462,991,890
Other assets	-	-	-	-	-	80,670	80,670
Total assets	**462,991,890**	**0**	**18,474,913**	**-**	**-**	**163,919**	**481,630,722**
LIABILITIES							
Debt securities in issue	(324,659,721)	-	-	-	-	(68,615)	(324,728,336)
Due to customers	-	-	-	-	-	(8,669,163)	(8,669,163)
Other liabilities	-	-	-	-	-	(2,091,591)	(2,091,591)
Lease liability	(4,466)	(13,521)	(36,393)	(239,229)	(63,659)	-	(357,268)
Due to banks	-	-	(62,458,448)	-	-	-	(62,458,448)
Total Liabilities	**(324,664,187)**	**(13,521)**	**(62,494,841)**	**(239,229)**	**(63,659)**	**(10,829,369)**	**(398,304,806)**
Total interest gap of assets & liabilities	**138,327,703**	**(13,521)**	**(44,019,928)**	**(239,229)**	**(63,659)**	**(10,665,450)**	**83,325,916**

27.2.3 Pricing risk

Due to the subject of its business the Company is not exposed to pricing risk. The Company does not hold financial assets traded in stock markets.

27.3 Liquidity risk

The monitoring of Liquidity risk is focused in the Company's ability to retain sufficient liquidity to meet its liabilities with the support of parent Bank. In order to cover its liquidity needs the Company performs Liquidity Gap Analysis).

Notes to the Financial Statements

The management assesses the cash flows arising from all assets and liabilities and classifies them in time buckets, based on their expected maturities. In the following table is presented the liquidity gap analysis.

The following tables represent the contractual non discounted cash flows from financial liabilities, through which the Company monitors liquidity risk. Since the amount of contractual non discounted cash flows is highly related to floating rate rather than fixed rate, the amount presented is determined by reference to the conditions prevailing at the reporting date, i.e. the determination of non - discounted cash flows using the actual interest rates that were in effect at 31 December 2020 and 2019, respectively.

Contractual non discounted cash flows from financial liabilities are analyzed as follows:

Amounts in €	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	>5 years	Total
31.12.2021						
Debt securities in issue	83,591,296	1,619,331	4,282,504	339,977,161	-	429,470,292
Due to customers	8,463,742	-	-	-	-	8,463,742
Other liabilities	1,667,209	-	-	-	-	1,667,209
Lease liability	4,617	13,967	34,816	185,742	63,732	302,874
Due to banks	37,029,419	10,000,000	40,000,000	-	-	87,029,419
Total	**130,756,283**	**11,633,298**	**44,317,320**	**340,162,903**	**63,732**	**526,933,536**
31.12.2020						
Debt securities in issue	45,192,896	1,370,825	281,120,000	-	-	327,683,721
Due to customers	8,669,163	-	-	-	-	8,669,163
Other liabilities	2,091,591	-	-	-	-	2,091,591
Lease liability	4,466	13,521	36,393	239,229	63,659	357,268
Due to banks	12,458,448	10,000,000	40,000,000	-	-	62,458,448
Total	**68,416,564**	**11,384,346**	**321,156,393**	**239,229**	**63,659**	**401,260,191**

Notes to the Financial Statements

Liquidity risk analysis as at 31.12.2021

Amounts in €	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	>5 years	Total
ASSETS						
Cash & balances with banks	28,145,659	-	-	-	-	28,145,659
Loans and advances to customers	235,334,307	203,280,430	137,875,698	1,710,854	-	578,201,289
Other assets	-	-	60,596	-	-	60,596
Total	**263,479,966**	**203,280,430**	**137,936,294**	**1,710,854**	**-**	**606,407,544**
LIABILITIES						
Debt securities in issue	(82,959,090)	-	-	(329,942,519)	-	(412,901,609)
Due to customers	(8,463,742)	-	-	-	-	(8,463,742)
Other liabilities	(1,667,209)	-	-	-	-	(1,667,209)
Lease liability	(4,617)	(13,967)	(34,816)	(185,742)	(63,732)	(302,874)
Due to banks	(37,029,419)	(10,000,000)	(40,000,000)	-	-	(87,029,419)
Total	**(130,124,077)**	**(10,013,967)**	**(40,034,816)**	**(330,128,261)**	**(63,732)**	**(510,364,853)**
Liquidity gap	**133,355,889**	**193,266,463**	**97,901,478**	**(328,417,407)**	**(63,732)**	**96,042,691**

Liquidity risk analysis as at 31.12.2020

Amounts in €	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	>5 years	Total
ASSETS						
Cash & balances with banks	18,558,162	-	-	-	-	18,558,162
Loans and advances to customers	187,861,569	170,205,164	104,186,060	739,097	-	462,991,890
Other assets	-	-	80,670	-	-	80,670
Total	**206,419,731**	**170,205,164**	**104,266,730**	**739,097**	**-**	**481,630,722**
LIABILITIES						
Debt securities in issue	(44,720,901)	-	-	(280,007,435)	-	(324,728,336)
Due to customers	(8,669,163)	-	-	-	-	(8,669,163)
Other liabilities	(2,091,591)	-	-	-	-	(2,091,591)
Lease liability	(4,466)	(13,521)	(36,393)	(239,229)	(63,659)	(357,268)
Due to banks	(12,458,448)	(10,000,000)	(40,000,000)	-	-	(62,458,448)
Total	**(67,944,569)**	**(10,013,521)**	**(40,036,393)**	**(280,246,664)**	**(63,659)**	**(398,304,806)**
Liquidity gap	**138,475,162**	**160,191,643**	**64,230,337**	**(279,507,567)**	**(63,659)**	**83,325,916**

Debt securities in issue are presented above based on the agreed contractual terms. However, the Company retains the right to redeem them (partially or totally) during the contract period on condition that will repay the capital and the respective accrued interests.

27.4 Operational Risk

Operational risk is defined as the current or future risk on the Company's earnings and capital arising from inadequate or failed internal processes, from insufficient management of Human Resources or from external events.

The Company, acknowledging the importance of operational risk, has established and maintained a firm wide and effective, high quality framework for its management.

The Company has outsourced to its parent Bank responsibilities related to operational risk management. Since 2010, the Company has developed an Operational Risk Management Framework (ORMF) considering qualitative and quantitative criteria of Standardized Approach.

During 2021, the annual cycle of ORMF was implemented, Especially, in the context of ORMF implementation, the following procedures were concluded:

- The identification, assessment and monitoring of operational risks (Risk Control Self-Assessment)
- The determination of Action Plans for their mitigation
- The collection of operational risk loss events

27.5 Capital adequacy

The Company manages actively its capital base, in cooperation with its parent Company National Bank of Greece S.A., with the objective to maintain its capital adequacy ratios well above the minimum regulatory levels and at the same time to improve the weighted average cost of capital. In this framework, both the calculation of the capital requirements and the dynamic management of the capital base are embedded in the business plan and the annual budgeting processes, in accordance with the capital adequacy targets that have been set in the Group's Risk Strategy.

Capital adequacy at 31 December 2021 and 2020 was calculated as follows:

Amounts in € '000	31.12.2021	31.12.2020
Basic and total regulatory capital	89,236	78,278
Total risk weighted assets	502,363	388,040
Total ratio	**17.76%**	**20.17%**

NOTE 28: Independent auditor's fees

On 30 June 2021, the Annual General Assembly Meeting of the shareholders appointed the audit firm "PricewaterhouseCoopers S.A." as a principal independent public accountant for the year ended 31 December 2021. The following table presents the aggregate fees for professional audit and audit-related services for the years ended at 31 December 2021 and at 31 December 2020 rendered by the Company's principal accounting firm "PricewaterhouseCoopers S.A.":

Amounts in €	31.12.2021	31.12.2020
Audit fees	23,000	23,000
Audit related fees	18,000	18,000
Total	**41,000**	**41,000**

NOTE 29: Related party transactions

The Company, as a subsidiary of the NBG Group, entered into significant transactions with National Bank of Greece and other companies of NBG Group, at arm's length.

The terms of cooperation do not substantially differ from the usual terms of course of business, at market rates. These transactions are approved by the appropriate level of management.

A. The outstanding balances of transactions with members of the Board of Directors and management are as follows:

Amounts in €	31.12.2021	31.12.2020
Expenses	183,585	339,010
Board of Directors and management fees	**183,585**	**339,010**

B. The outstanding balances with National Bank of Greece S.A. and other companies of NBG Group are as follows:

Amounts in €	31 December 2021	31 December 2020
ASSETS		
a) Balances with banks		
National Bank of Greece S.A.	28,144,746	18,450,743
b) Loans to customers		
National Bank of Greece S.A.	8,231,743	8,517,371
Total	**36,376,489**	**26,968,114**
LIABILITIES		
a) Due to banks		
National Bank of Greece S.A.	36,978,030	12,410,601
b) Debt securities in issue		
National Bank of Greece S.A.	412,984,942	324,741,669
c) Other Liabilities		
National Bank of Greece S.A.	1,780,354	2,391,415
Ethniki Leasing S.A.	22,589	38,363
PAEGAE S.A.	112	-
Total	**451,766,027**	**339,582,048**
STATEMENT OF TOTAL COMPREHENSIVE INCOME		
INCOME		
a)) Interest income		
National Bank of Greece S.A.	205,017	248,246
Total	**205,017**	**248,246**
EXPENSES		
a) Fee & commission expenses		
National Bank of Greece S.A.	5,887,408	6,541,917
Ethniki Leasing S,A,	613	1,158
b) Commission expense		
National Bank of Greece S.A.	3,314,365	2,836,279
c) Personnel expenses		
Ethniki Hellenic General Insurance S.A.	31,023	29,428
d) General, administrative and other operating expenses		
National Bank of Greece S.A.	498,500	432,683
PAEGAE S.A.	90	-
Ethniki Leasing S.A.	16,793	23,351
Total	**9,748,792**	**9,864,816**
OFF BALANCE SHEET ACCOUNTS		
a) Received guarantees		
National Bank of Greece S.A.	296,000,000	296,000,000
b) Approved unused credit limits		
National Bank of Greece S.A.	30,037,027	142,847,730
Total	**326,037,027**	**438,847,730**

NOTE 30: Events after the reporting period

Ukraine crisis

On 24 February 2022, Russia invaded Ukraine where in addition to the humanitarian crisis it has caused in the region, it has had negative economic consequences for the global economy mainly through higher energy and commodity prices that have fueled higher inflation which has produced weaker confidence in households and business. The extent of these effects will depend to a great extent on how the conflict evolves. The invasion also escalated tensions between Russia and the U.S., NATO, the EU and the U.K. The US has imposed and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions implemented by the EU and the U.K. and other jurisdictions. In the first quarter of 2022 the U.S., the EU and the U.K., each imposed packages of financial and economic sanctions that, in various ways, constrain transactions with numerous Russian entities and individuals; transactions in Russian sovereign debt; investment, trade and financing to and from certain regions of Ukraine. The Company in cooperation with parent Bank has taken all necessary measures to comply with sanctions imposed by the competent authorities.

The Company has no any direct exposure to the aforementioned countries. Management is closely monitoring the developments and assessing periodically the impact that these may have on the Company's operations and financial position.

For further details please Note 2.2 "Going concern".

COVID-19 developments after the reporting period

For measures taken by the authorities after the reporting period relating to COVID-19 please see "Response to Covid-19 crisis" of the Board of Directors Report.

NOTE 31: Restatement

An agenda decision was published in May 2021 by the IFRIC in relation to IAS 19 "employee benefits" and more specifically to how the applicable principles and requirements in IFRS Standards apply to attributing benefit to periods of service. The Company has restated some comparative amounts with respect to the Annual Report published for 2020 as a result of this agenda decision as follows.

Statement of Financial Position

	As adjusted	As reported	Adjustments
		01.01.2020	
LIABILITIES			
Retirement benefit obligations	8,303	150,725	(142,422)
Deferred tax liabilities	4,608,339	4,574,158	34,181
Total	**4,616,642**	**4,724,883**	**(108,241)**
SHAREHOLDERS' EQUITY			
Reserves	3,614,846	3,582,769	32,077
Retained earnings	22,140,098	22,063,934	76,164
Total	**25,754,944**	**25,646,703**	**108,241**

	As adjusted	As reported	Adjustments
		31.12.2020	
LIABILITIES			
Retirement benefit obligations	5,688,636	5,652,310	36,326
Deferred tax liabilities	13,240	164,593	(151,353)
Total	**5,701,876**	**5,816,904**	**(115,029)**
SHAREHOLDERS' EQUITY			
Reserves	4,133,880	4,103,861	30,019
Retained earnings	24,258,725	24,173,715	85,010
Total	**28,392,605**	**28,277,576**	**115,029**

Notes to the Financial Statements

Statement of Total Comprehensive Income

	As adjusted	As reported	Adjustments
	From 01.01.2020 to 31.12.2020		
Profit before tax	**12,551,286**	**12,539,647**	**11,639**
Tax expense	(3,112,658)	(3,109,865)	(2,793)
Profit for the period	**9,438,628**	**9,429,782**	**8,846**
Other comprehensive income, net of tax:			
Items that will not be reclassified subsequently to profit or loss:			
Employee benefits	(967)	1,091	(2,058)
Other comprehensive income for the period, net of tax:	**(967)**	**1,091**	**(2,058)**
Total comprehensive income for the period	**9,437,661**	**9,430,873**	**6,788**

Cash Flow Statement

	As adjusted	As reported	Adjustments
	From 01.01.2020 to 31.12.2020		
Profit before tax	**12,551,286**	**12,539,647**	**11,639**
Non cash items included in statement of total comprehensive income and other adjustments:	**5,679,967**	**5,691,606**	**(11,639)**
Provision for employee benefits	3,665	15,304	(11,639)
Income tax paid	(1,797,782)	(1,786,144)	11,638
Net Cash flows from/(for)operating activities	**(2,263,690)**	**(2,275,329)**	**11,639**

Athens, 2 June 2022

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE MANAGER OF FINANCIAL SERVICES
CHARALAMPOS VOVOS No of Pol. Identity AK226323	ALEXANDROS KONTOPOULOS No of Pol. Identity X549459	PANAGIOTIS MAVRAGANIS No of Pol. IdentityX010495