



2020 Financial Results & Strategy Update

June 2021



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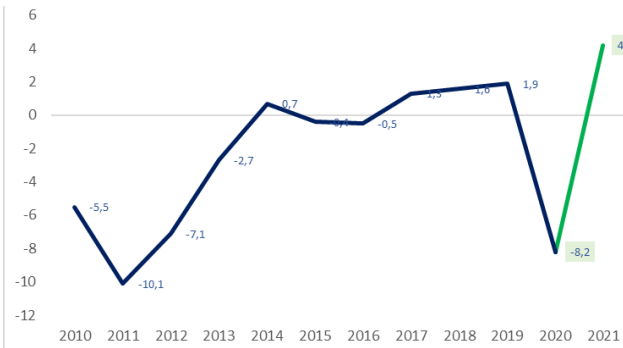
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01

// Domestic Economy & Epirus' Economy

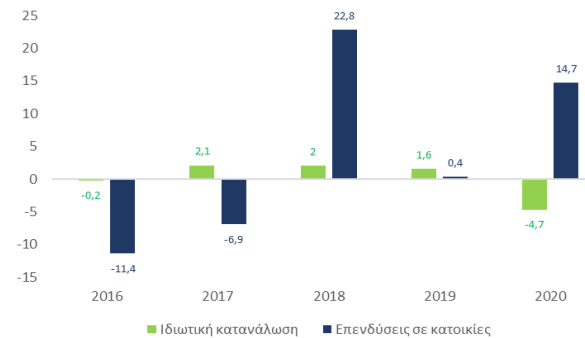
GDP

Annual percentage changes (%)



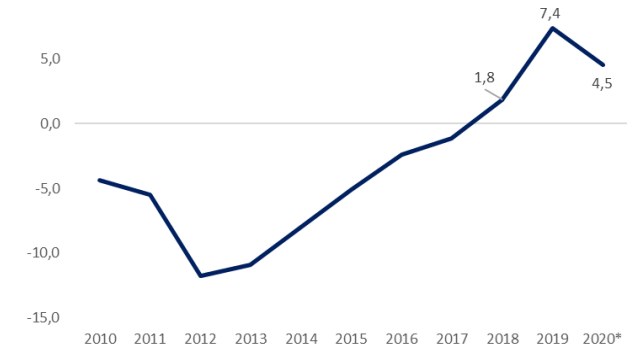
Private Consumption & Housing investments

Annual percentage changes (%)



Residential Real Estate Prices

Annual percentage changes (%)



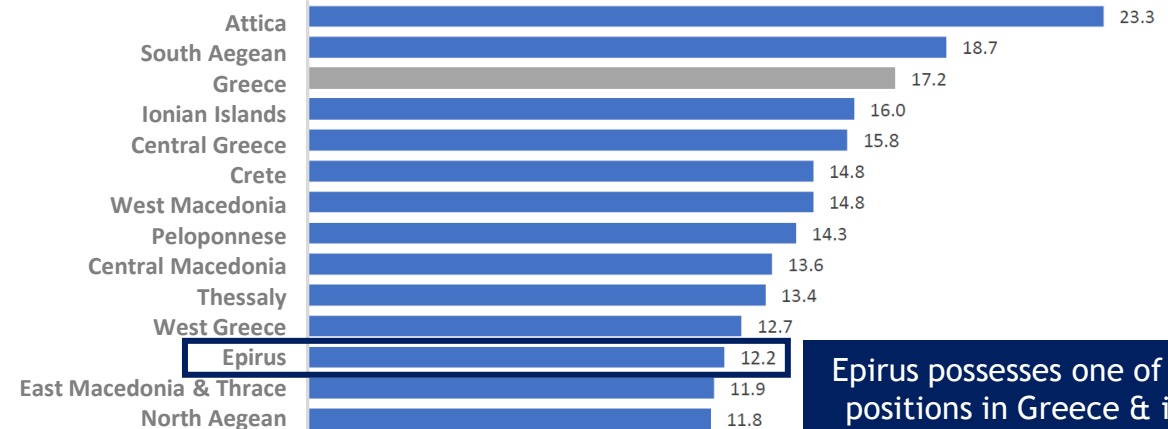
Following the abrupt economic recession of 2020 due to Covid-19, the Greek economy is expected to gradually recover starting from 2021 Q3.

Private consumption and aggregate demand are expected to recover from 2021 Q2, leading to a strong growth rate of the Greek economy.

Residential Real Estate prices increased during last decade. Apartments' prices recorded an increase of 4.2% on an annual basis, compared to 7.2% in 2019 and 1.8% in 2018.

Source:
BoG, ELSTAT
Pissaridis Report (2021)

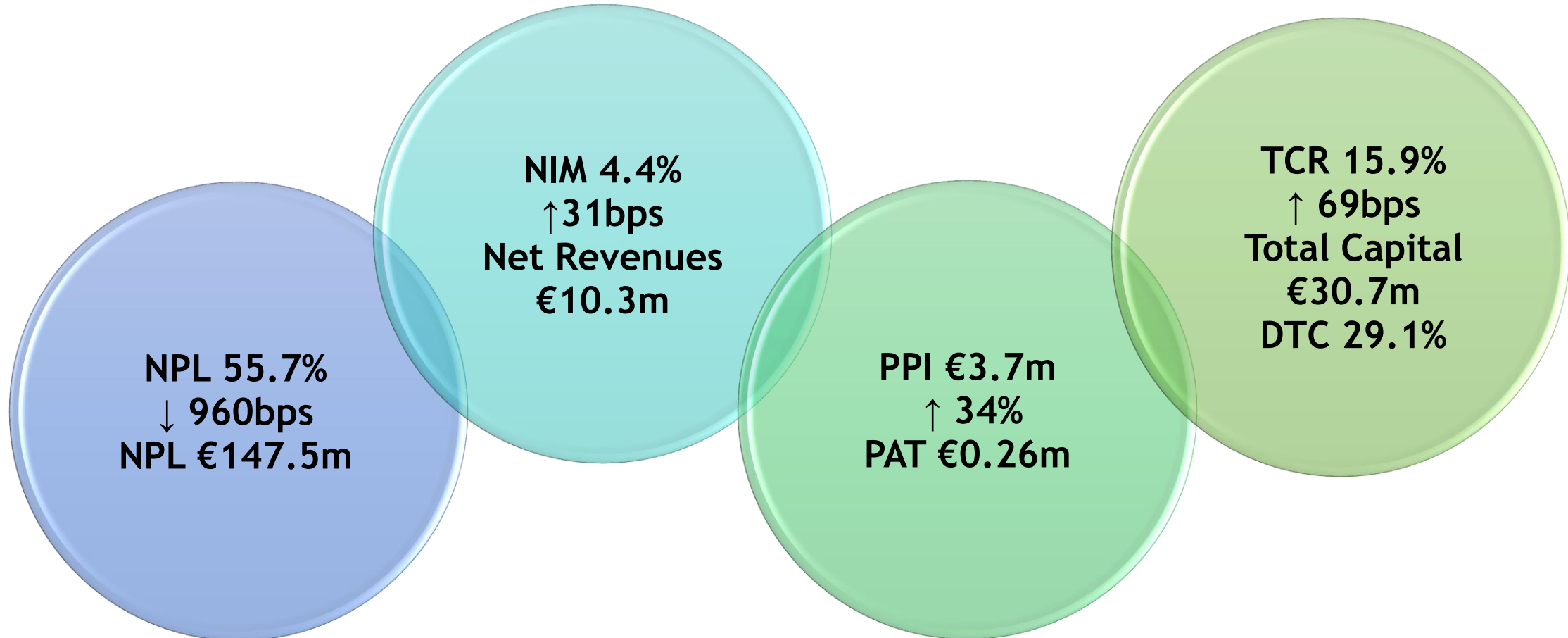
2018 GDP per capita by prefecture (€ th)



Epirus possesses one of the lowest positions in Greece & in Europe.

02

// 2020 Financial Results Key Highlights



// 2020 Financial Results P&L

€ th	2020	2019	YoY
Interest income	11,119	10,783	3.1%
Interest expense	(2,645)	(3,438)	-23.1%
Net Interest Income (NII)	8,474	7,345	15.4%
Net Fees & Commissions	1,380	1,525	-9.5%
Other revenues	426	394	8.2%
Total Net Revenues	10,280	9,263	11.0%
Operating Expenses	(6,557)	(6,494)	1.0%
Pre-Provision Income (PPI)	3,723	2,769	34.4%
Loans Impairment	(3,253)	(2,193)	48.4%
Other assets' Impairment	(62)	(196)	-68.4%
Profit Before Tax (PBT)	408	381	7.2%
Income Tax	(147)	(169)	-13.0%
Profit After Tax (PAT)	261	212	23.4%

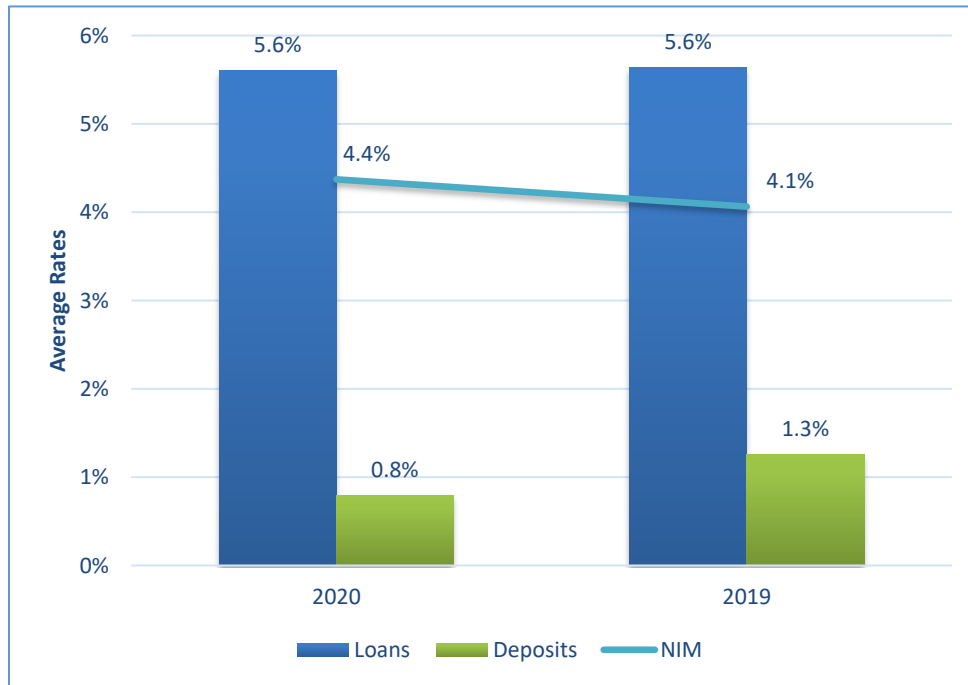
Basic Ratios	2020	2019	YoY
Average loan rate	5.6%	5.6%	0.0%
Average deposit rate	0.8%	1.3%	-0.5%
Net Interest Margin (NIM)	4.4%	4.1%	0.3%
Non-Interest Income / Total Assets	0.6%	0.7%	-0.1%
Operating Expenses / Total Net Revenues	63.8%	70.1%	-6.3%
PPI / Interest Income	33.5%	25.7%	7.8%
Cost of risk	1.7%	1.2%	0.5%

- **Increase in interest income due to credit expansion**, while retaining average loan rate at 5.6%.
- **Decrease in funding cost by 23% in 2020** despite deposits increase by 11% due to change in deposits mixture and the followed strategy of rates decrease.
- **NIM increase by 31bps to 4.4%.**
- Operating expenses remained at the same levels, leading to a **decreased ratio of operating expenses to net revenues of 63.8%.**
- **Increase in PPI by 34% to €3.7m**, mainly owed to decreased funding cost.
- Increase in impairment charge resulted from the implemented NPL strategy and the Covid-19 crisis impact on loan portfolio.
- **Increase in PAT by 23%.**

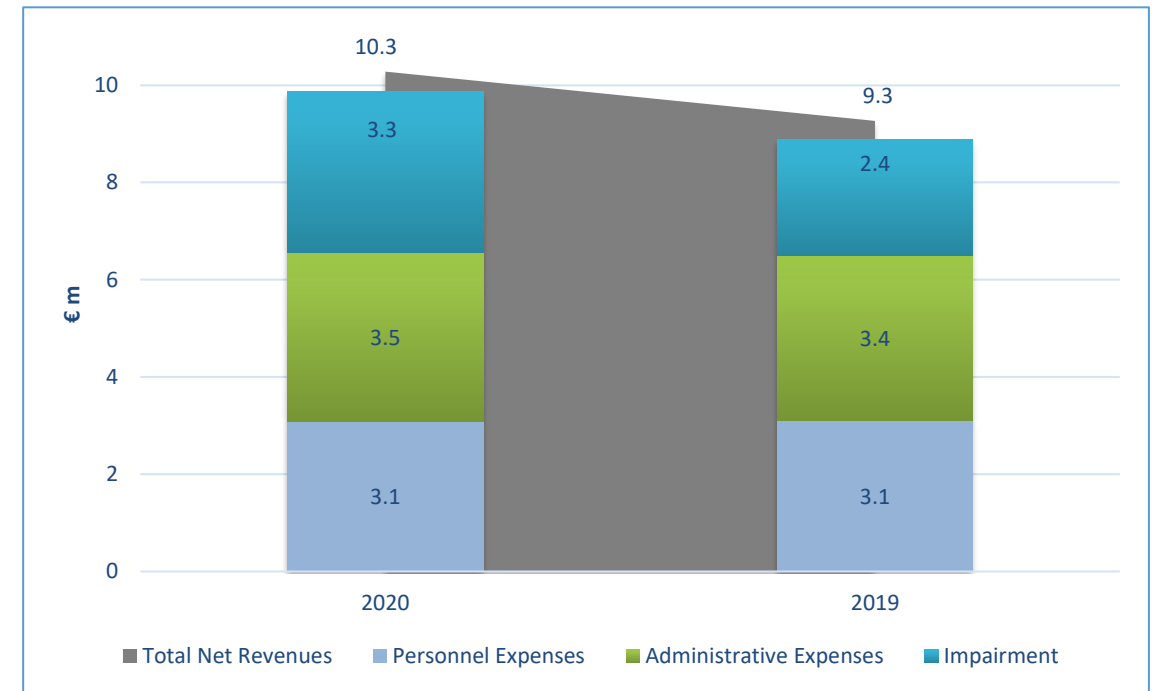
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// 2020 Financial Results P&L

NIM increased due to decrease in financial cost



Increase in net revenues & impairment charge in 2020



// 2020 Financial Results

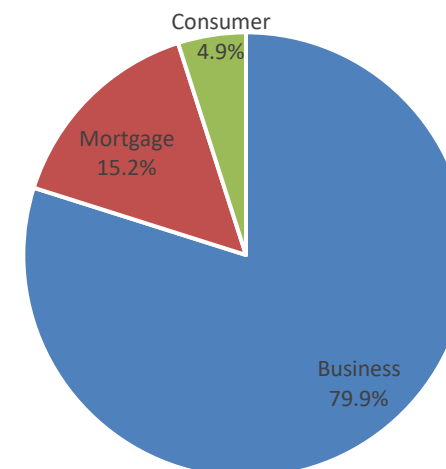
Financial Position

€ th	2020	2019	YoY
Cash & Due from Banks	47,306	62,575	-24.4%
Loans	203,629	184,100	10.6%
Investment Property	4,041	2,756	46.6%
Fixed & Intangible Assets	5,580	5,282	5.6%
Deferred Tax Assets	10,465	10,624	-1.5%
Other Assets	11,087	9,751	13.7%
Total Assets	282,108	275,088	2.6%
Due to Banks	5,304	24,452	-78.3%
Deposits	246,781	221,928	11.2%
Debt Securities	6,021	6,021	0.0%
Other Liabilities	2,126	2,868	-25.9%
Total Liabilities	260,232	255,270	1.9%
Equity	21,876	19,818	10.4%
Total Liabilities & Equity	282,108	275,088	2.6%

Basic Ratios	2020	2019	YoY
Cash & Due from Banks / Total Assets	16.8%	22.7%	-6.0%
Loans to Deposits	82.5%	83.0%	-0.4%
Liquidity Coverage Ratio (LCR)	376.3%	321.2%	55.1%
RWAs density	68.4%	69.0%	-0.6%
CET1% phased-in	12.8%	12.1%	0.7%
Total Capital phased-in	15.9%	15.2%	0.7%
CET1% fully loaded	11.1%	10.3%	0.8%
Total Capital fully loaded	14.3%	13.5%	0.8%
DTC / Total Capital	29.1%	31.4%	-2.3%

- Credit expansion of €24m in 2020, providing support mainly to entrepreneurship in local economy.
- Improved liquidity stemming from LCR increase by 55% within year, deposits increase by €24.8m and increase in Cash & due to banks by €3.9m.
- Increase in investment property by 47% due to repossessed collaterals.
- Total Capital Ratio increase by 69bps mainly owed to the capital increase of €1.8m. Fully-loaded TCR increased by 78bps.
- Improvement in capital quality since DTC portion in total capital fell to 29.1%.

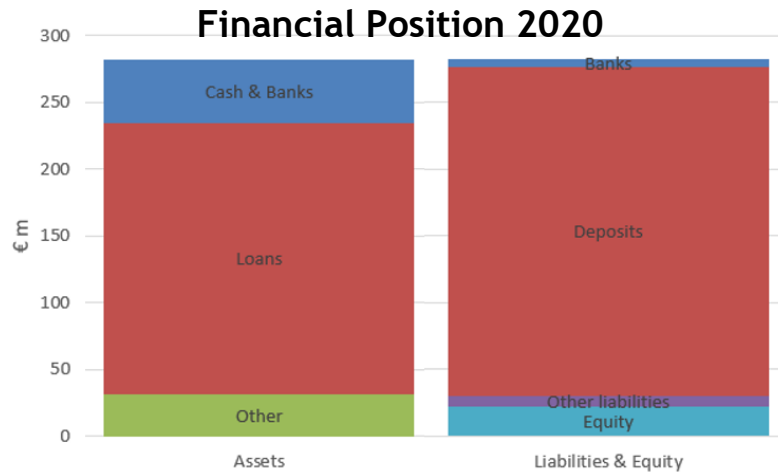
Loan structure



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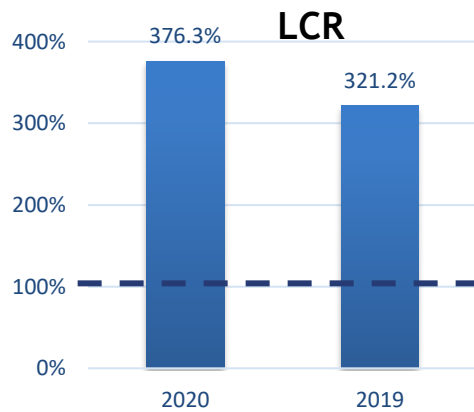
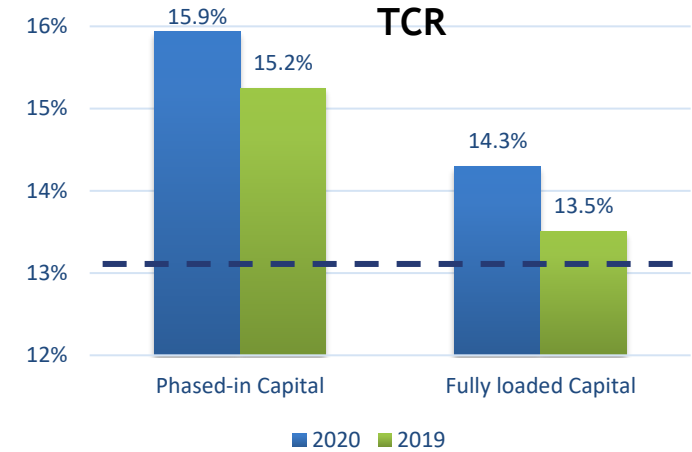
// 2020 Financial Results

Financial Position



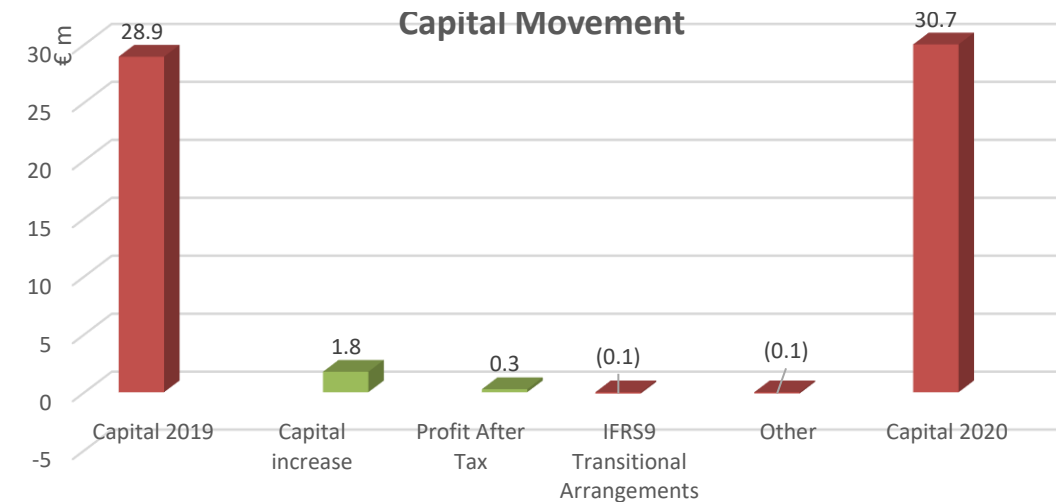
TCR significantly exceeds the minimum regulatory threshold of 13.05%.

Capital increases firstly from shareholders' participation & secondly from profitability



Liquidity is satisfactory owed to:

- high level of LCR
- high % of Cash and due to Banks
- satisfactory Loan-to-Deposit ratio



// 2020 Financial Results

Asset Quality

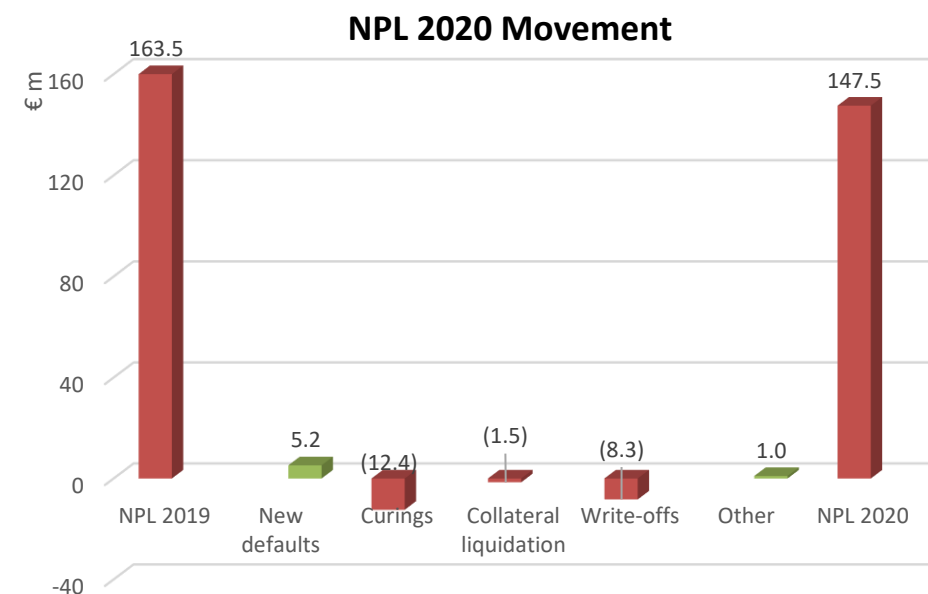
€ th	2020	2019	YoY
Total Loans	264,865	250,393	5.8%
PL	117,346	86,856	35.1%
NPL	147,519	163,537	-9.8%
<i>Denounced</i>	124,670	122,210	2.0%
<i>In delay 90+</i>	8,624	14,773	-41.6%
<i>Unlikely to Pay (UTP)</i>	14,225	26,555	-46.4%
NPL ratio %	55.7%	65.3%	-9.6%
90+ ratio %	50.3%	54.7%	-4.4%
Impairment	61,236	66,292	-7.6%
<i>against PL</i>	1,839	1,091	68.6%
<i>against NPL</i>	59,397	65,201	-8.9%
Impairment Coverage Ratio %			
<i>against PL</i>	1.6%	1.3%	0.3%
<i>against NPL</i>	40.3%	39.9%	0.4%

Ratios	NPL%		NPL Coverage%	
	2020	2019	2020	2019
Bank of Epirus	55.7%	65.3%	40.3%	39.9%
Greek Banking Sector	30.2%	40.2%	47.9%	46.8%
<i>SMEs</i>	39.2%	50.6%	-	-
<i>SBPs</i>	51.0%	62.2%	-	-
LSIs	-	50.3%	-	37.7%
Cooperative Banks	-	52.2%	-	42.9%

Source: BoG Governor's Report 2020 and data extracted from published financial statements of banks

Asset quality significantly improved in 2020 based on the following pillars:

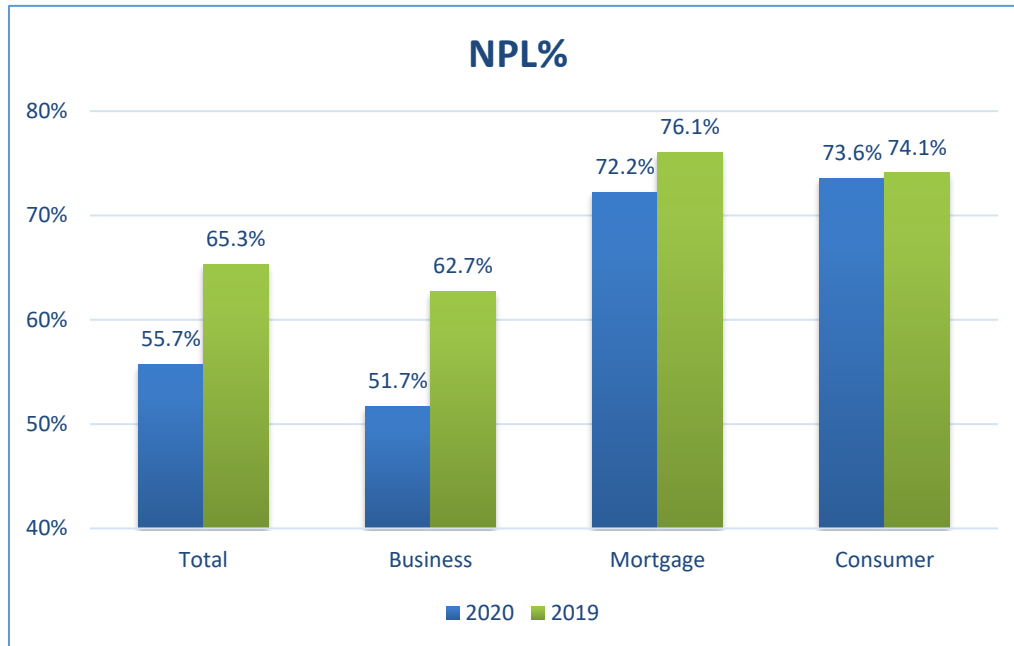
- increased recoveries from debtors' operating cash flows
- decrease in UTP stock due to remarkable curings within period
- recoveries from collateral liquidation
- decreased stock of 90+ loans
- write-offs due to finalized legal proceedings



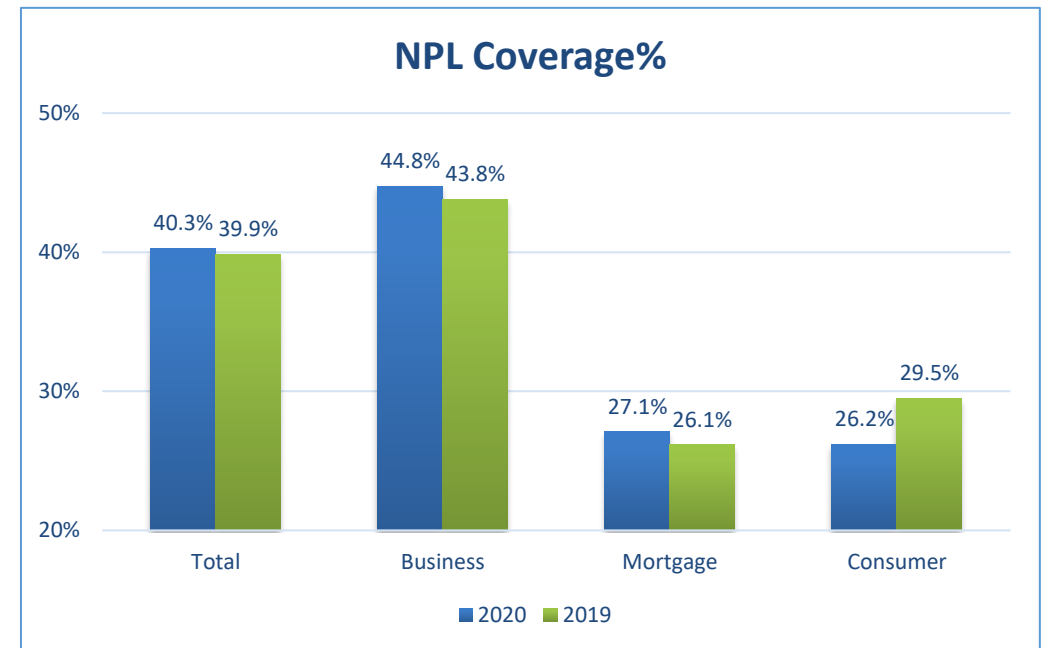
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// 2020 Financial Results Asset Quality

NPL ratio decrease mainly driven by business loans



Increase in NPL Coverage ratio

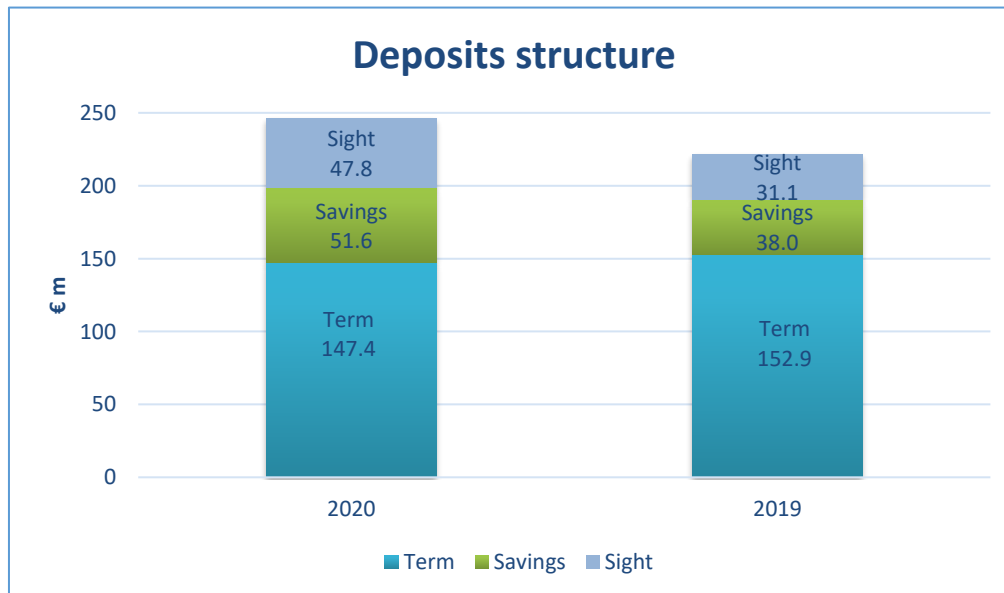


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// 2020 Financial Results Deposits

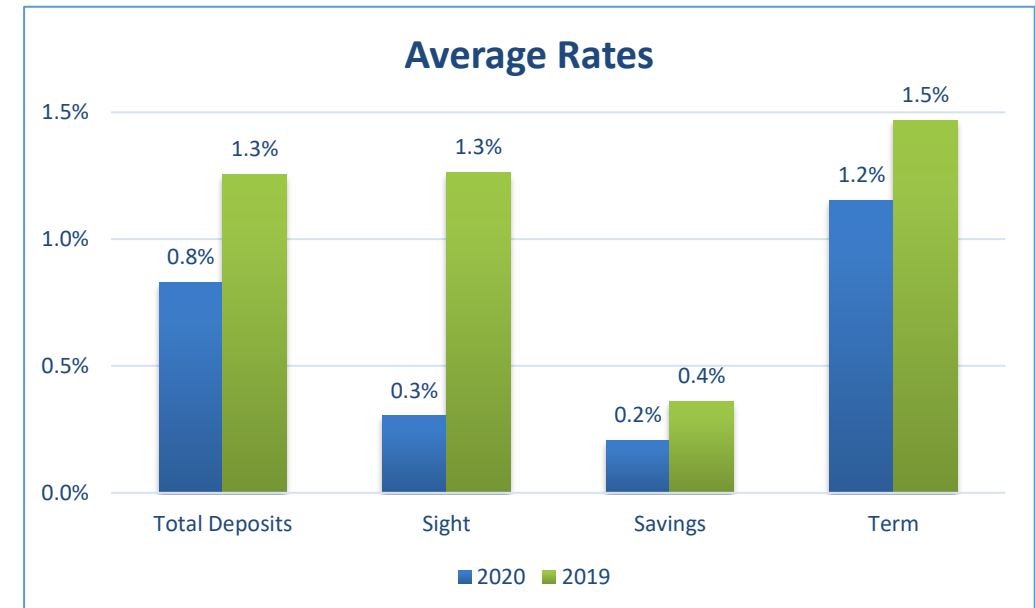
€ th	2020	2019	YoY
Sight	47,823	31,071	53.9%
Savings	51,599	38,003	35.8%
Term	147,358	152,854	-3.6%
Total Deposits	246,781	221,928	11.2%

Decrease in term deposits &
Significant increase in savings & sight deposits



Average Rates	2020	2019	YoY
Sight	0.3%	1.3%	-1.0%
Savings	0.2%	0.4%	-0.2%
Term	1.2%	1.5%	-0.3%
Total Deposits	0.8%	1.3%	-0.4%

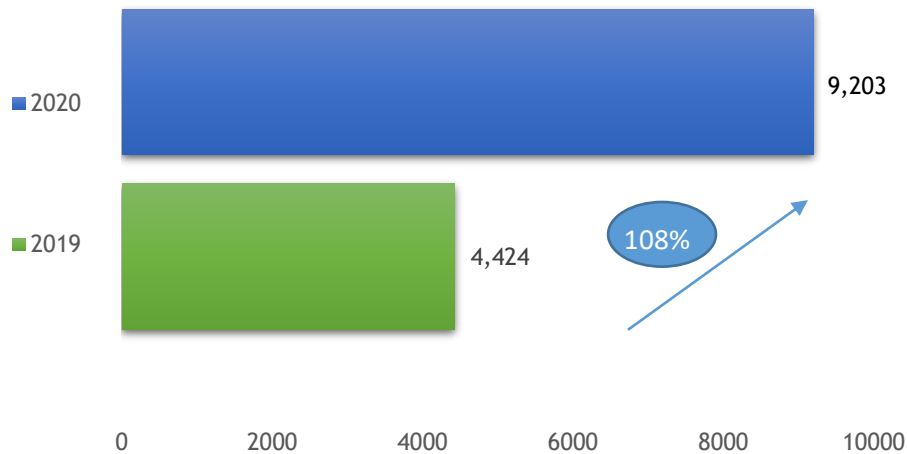
Significant decrease in funding cost
coming from all types of deposits



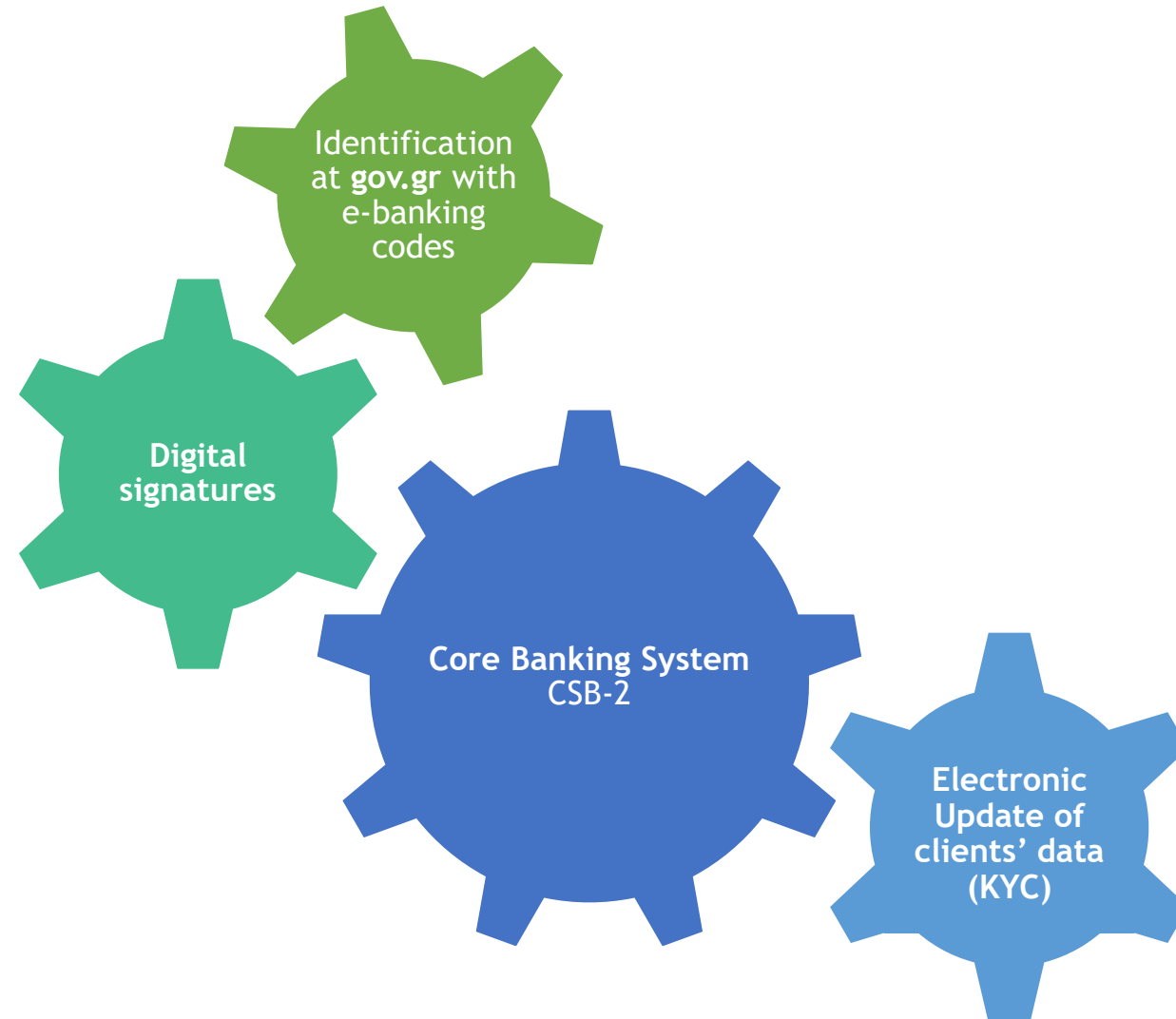
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// Digital Transformation

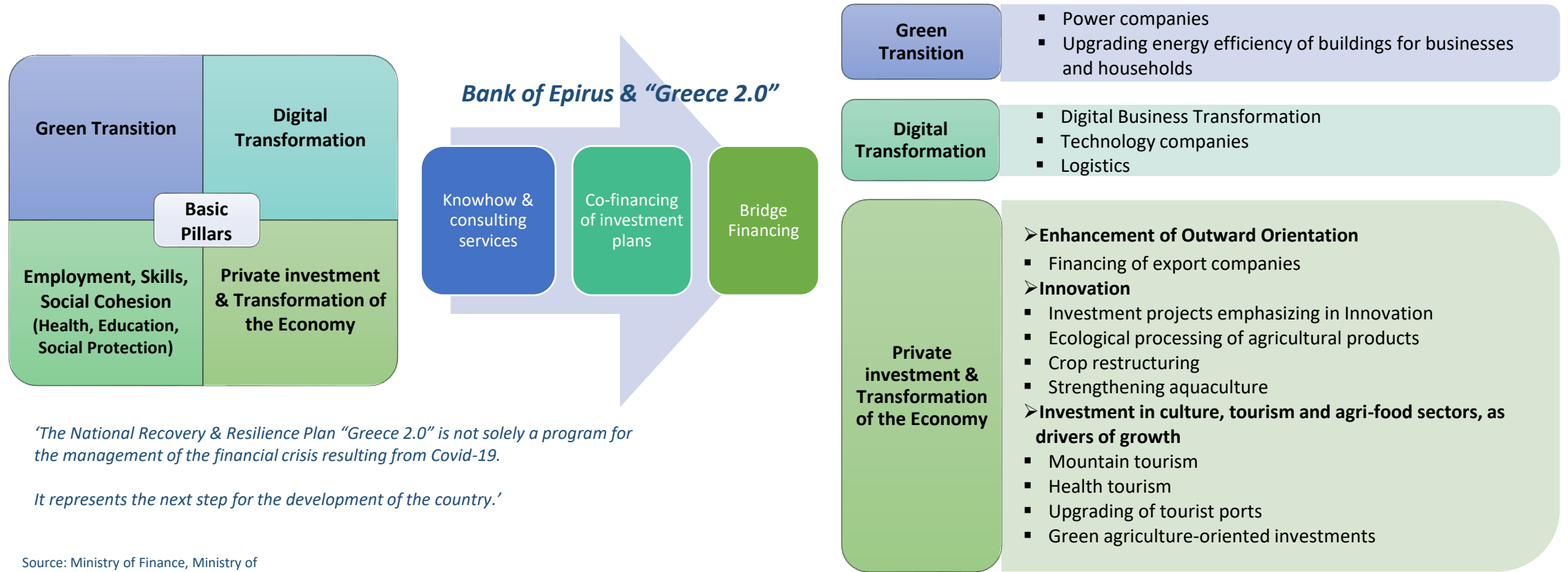
Annual Online transactions



- Doubling of annual Online transactions
- Transition to Digital Banking



// National Recovery & Resilience Plan “Greece 2.0” & Bank of Epirus



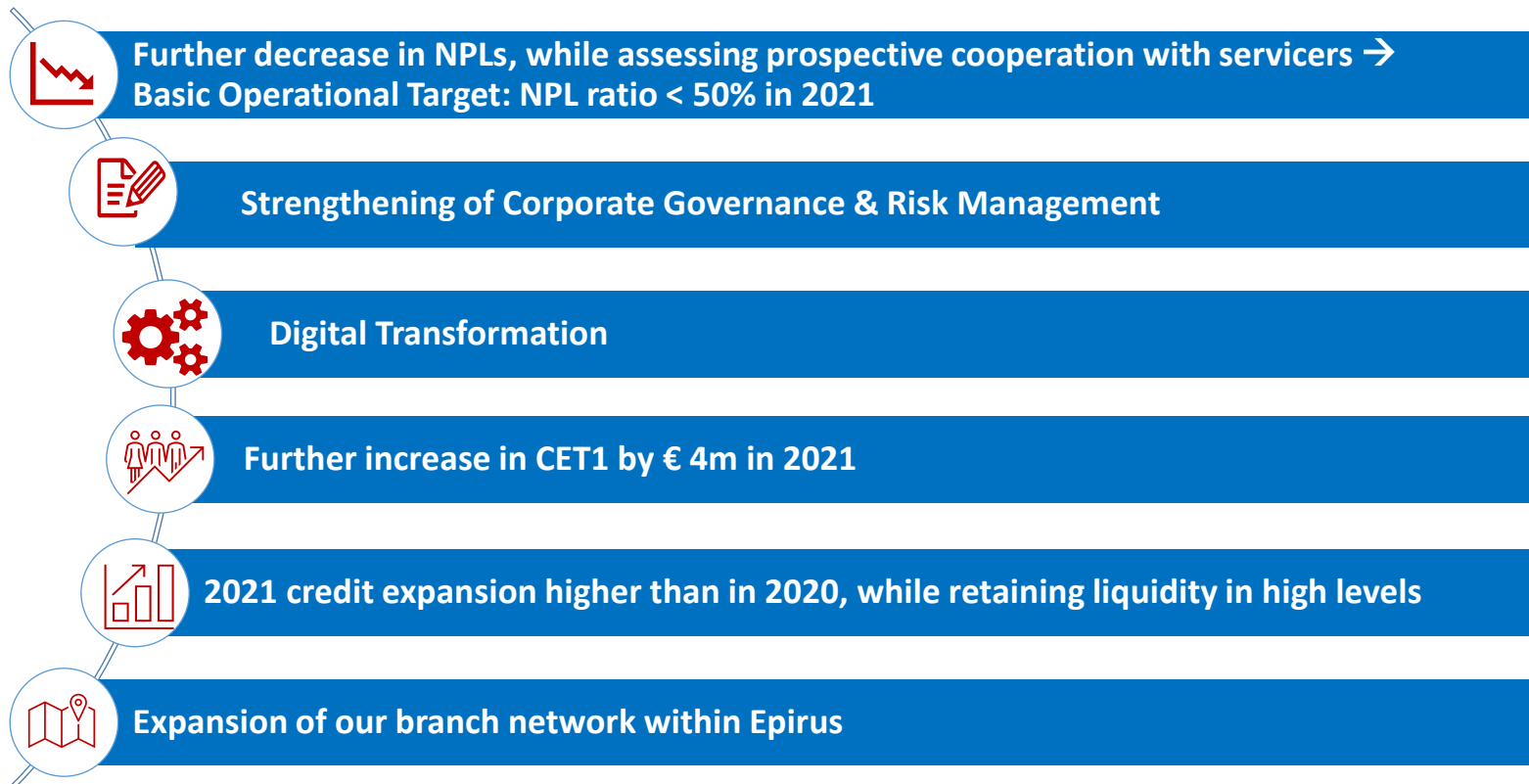
‘The National Recovery & Resilience Plan “Greece 2.0” is not solely a program for the management of the financial crisis resulting from Covid-19.

It represents the next step for the development of the country.’

Source: Ministry of Finance, Ministry of development

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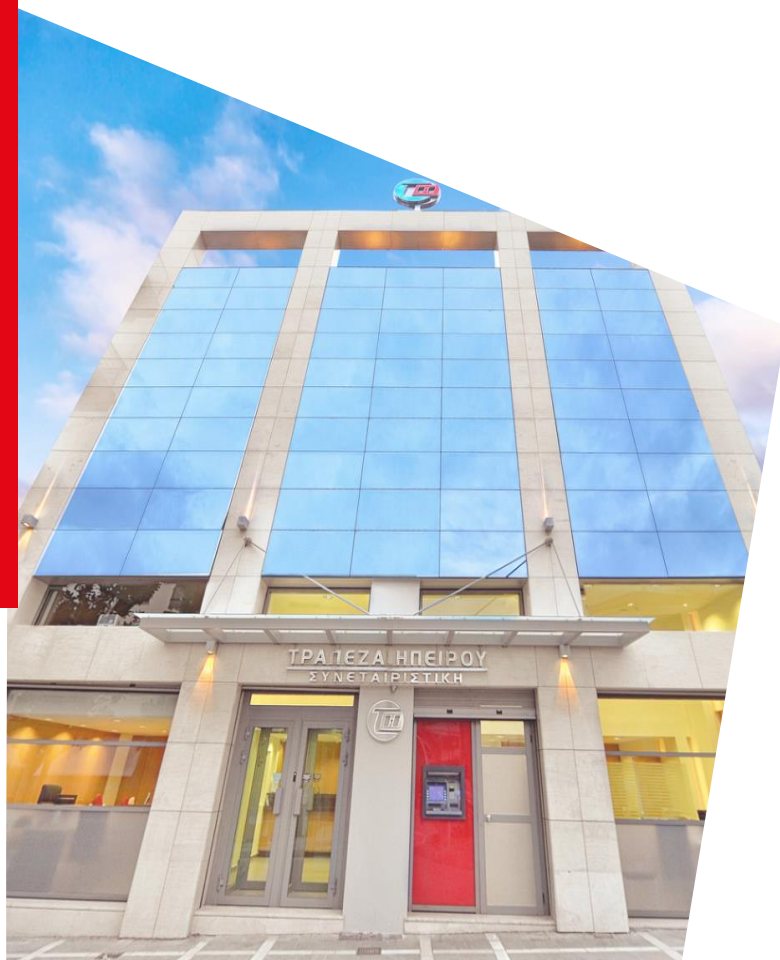
// Strategy Update



Preparation for our
next step:
**Expanding
outside Epirus**

// Glossary

BoG	Bank of Greece
bps	basis points or 0.01%
CET1	Common Equity Tier 1
DTC	Deferred Tax Credit eligible
ELSTAT	Hellenic Statistical Authority
GDP	Gross Domestic Product
KYC	Know Your Customer
LCR	Liquidity Coverage Ratio
LSIs	Less Significant Institutions
NIM	Net Interest Margin
NPL	Non Performing Loans
PAT	Profit After Tax
PBT	Profit Before Tax
PPI	Pre-Provision Income
RWAs	Risk Weighted Assets
SBPs	Small Business & Professionals
SMEs	Small Medium Enterprises
TCR	Total Capital Ratio
YoY	Year over Year
m / th	million / thousand



Thank you!