



## ANNOUNCEMENT OF 13.12.2021

### INFORMATION ON THE AGREEMENT OF HFSF, TMEDE AND ELLINGTON

Attica Bank S.A. (the "Bank"), following the announcements of 18.11.2021 and 08.12.2021 informs investors about the following:

A. On 13<sup>th</sup> December 2021 the Bank was notified that the HFSF, TMEDE and the companies "Ellington Solutions S.A." and "ES GINI Investments Limited" (the latter acting as an investment vehicle advised by Ellington Solutions S.A. – together "Ellington") (jointly the "Parties") entered into a binding transaction term sheet (the "Transaction Term Sheet") in relation to the Parties' investment in Attica Bank.

The key terms of the Transaction Term Sheet, as notified to the Bank, are the following:

#### **(a) Participation in the Share Capital Increase**

The Parties shall participate in the Share Capital Increase as follows:

(i) The HFSF shall participate for an amount of up to €153,765,391, by exercising the corresponding pre-emptive rights and subscribing to the New Ordinary Shares of the Increase (the "New Shares") to allow Ellington to be allotted unsubscribed New Ordinary Shares as per below;

(ii) TMEDE and Ellington, shall participate for a total amount of €62,000,000 as follows:

- TMEDE shall exercise its pre-emptive rights in full and subscribe for the corresponding New Ordinary Shares; and
- Ellington shall acquire any and all of the unsubscribed New Ordinary Shares, i.e. the unallocated New Shares, being both any unsubscribed New Ordinary Shares resulting from any minority Shareholders not exercising their pre-emptive rights as well as unsubscribed New Ordinary Shares resulting from HFSF not exercising its pre-emptive rights in full, as mentioned above; and

(iii) if the amount of the unsubscribed New Ordinary Shares allocated to Ellington by Attica Bank, is not sufficient to allow Ellington, together with TMEDE, to participate in the Share Capital Increase for the total amount of €62,000,000, the difference between the amount of €62,000,000 and the amount actually paid by the Private Investors for acquiring New Ordinary Shares (the "**Residual Amount**"), shall increase Ellington's participation in the Second Investment (as defined below).

#### **(b) Further actions and Second Investment**

Following completion of the Share Capital Increase, the Parties shall procure that Attica Bank will proceed with the conduct of a due diligence (the "**DD Exercise**") to be completed by no later than 31 March 2022, In case there is no reasonable assurance until mid-January 2022 that the pre-rating of the Senior Notes of the outstanding securitisations of Attica Bank by a credit rating agency will be timely completed, a specialized firm in securitization transactions will be appointed to assess the potential losses through the inclusion of such securitizations in HAPS (the "**Hercules Assessment**").

The purpose of the DD Exercise & potential Hercules Assessment shall be to quantify any provisioning gap regarding the overall Attica Bank's exposures and identify actions to record in the annual financial statements of the financial year 2021 to cover the additional provisions.

Following completion of the above, the Parties are committing to make a second investment in Attica Bank by no later than three (3) months following the publication of its 2021 annual financial statements, TMEDE and Ellington are to finally hold a percentage of approximately 68% of the share capital of the Bank. Such second investment shall consist of a share capital increase either with pre-emptive rights or without (the "Second SCI") and potentially a "Third Capital Injection" (the Second SCI together with the Third Capital Injection, the "Second Investment").

The Third Capital Injection (if any) shall be structured either as a third share capital increase, or as an issuance by Attica Bank of warrants or any other alternative financial instrument such as a convertible bond loan to be agreed between the Parties,

The amount of the Second SCI and the Third Capital Injection (to the extent required), as well as the number of Ordinary Shares to be issued to each of the Parties will be based on an adjustment mechanism depending on the precise size of the provisions that should be accounted for regarding the overall exposures of Attica Bank as a result of (a) the conduct of the DD Exercise, (b) the Hercules Assessment (if required) and (c) any dilutive effect by a DTC Conversion, if any, occurring between the Second SCI and the Third Capital Injection,

Each of the Private Investors undertakes to participate in the Second Investment on a *pari passu* basis. In the event any of the Private Investors fails to invest all or part of the amounts to which it has committed to invest, the other Private Investor undertakes to invest for such amounts.

**(c) Other terms**

**(i) Transformation Actions**

The Parties have agreed to procure that a number of transformation actions take place in Attica Bank, included in *inter alia* a 5 year strategic business plan to be agreed among them.

**(ii) Board Composition**

The Parties shall nominate, within the corporate legal provisions, member to the BoD in accordance with their shareholding in the Company as such will be at any given point in time.

**(iii) Reserved Matters**

Without prejudice to Law 4548/2018 and the applicable regulatory framework, which currently governs the activities of the HFSF and provides for certain veto rights, until such time as TMEDE and ELLINGTON obtain 68% of the registered share capital of Attica Bank certain measures and transactions of major importance may only be carried out following approval of (i) all members of the Board of Directors and/or (ii) the Shareholders' Meeting (the "Reserved Matters"). The arrangements of the Parties with respect to the Reserved Matters shall be defined in more detail in a shareholders' agreement to be entered into between the HFSF and the Private Investors.

B. In the context of the stock market legislation and with the protection of the investors, the security of transactions and the interest of the Bank as an issuer in mind, the Bank will immediately submit to the Hellenic Capital Market Commission for approval its Supplement from 18.11.2021 Approved Prospectus and published in the context of the ongoing Increase, in accordance with the provisions of Article 23 of Regulation (EU) 2017/1129. The Supplement, when approved by the Hellenic Capital Market Commission, will be made available to the investing public, and will provide the right of investors who have already covered shares of the Increase before the publication of the Supplement to withdraw within three (3) working days from the publication of.

The Board of Directors of the Bank will keep the investing public informed of any further developments.

**ATTICA BANK S.A.**