

T.C. Ziraat Bankasi A.S.

Athens Central Branch

Ermou Str. 2, 105 63, Syntagma Square, Athens

Reg. Num. 65242/06/B/08/03

General Electronic Commercial Registry (G.E.MI.) Num. 123207101001

The English version is a translation of the original Greek for information purposes only. In case of a discrepancy, the Greek original will prevail.

FINANCIAL STATEMENTS FOR FY

1 JANUARY - 31 DECEMBER 2019

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# **Independent Auditor's Report**

To the Management of the Branch in Greece of T.C. Ziraat Bankasi A.S.-Athens Central Branch

## **Report on Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of the Branch in Greece of T.C. Ziraat Bankasi A.S.- Athens Central Branch, which comprise the statement of financial position as at December 31, 2019 and the income statement for the year then ended as well as the relative attachment.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Branch in Greece of T.C. Ziraat Bankasi A.S. as at December 31st, 2019, and its financial performance for the year then ended in accordance with Law 4308/2014 as effective.

### **Basis for Opinion**

We concluded our audit in accordance with International Standards on Auditing (ISAs) incorporated into the Greek Legislation. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Branch in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) incorporated into the Greek Legislation and ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of Law 4308/2014 as effective and for such internal control as management 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, management is responsible for assessing the Branch'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 the management's intention is to proceed with liquidating the Branch or discontinuing its operations or unless the management has no other realistic option but to proceed with those actions.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as an aggregate, 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, incorporated into the Greek Legislation, 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 affect the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism 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 that 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 Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Branch'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 Branch 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.

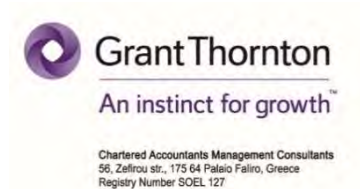
We disclose to the management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Report on Other Legal and Regulatory Requirements**

The Branch in Greece of T.C. Ziraat Bankasi A.S.-Athens Central Branch has not prepared the Management Report to the General Meeting of Shareholders since it is legally exempted from this obligation.

Athens, November 25, 2020  
The Chartered Accountant

Panagiotis Gkioumes  
SOEL Reg. Num. 44421



## Statement of Financial Position

	Note	31/12/2019	31/12/2018
<b>Assets</b>			
Cash and Balances with Central Bank	7	1.006.234,81	1.092.733,50
Due from Banks	8	26.456.519,47	23.355.112,48
Loans and advances to customers	9	20.404.591,30	17.471.518,83
Investment Securities	10	5.789.245,73	5.786.311,39
Intangible Assets	11	402.782,64	260.734,19
Property, Plant and Equipment	12	358.052,72	504.278,63
Other Assets	13	1.820.750,26	1.658.167,88
Prepaid Expenses & Accrued income	14	445.156,62	397.211,08
<b>Total</b>		<b>56.683.333,55</b>	<b>50.526.067,98</b>
<b>Liabilities</b>			
Due to Banks	15	1.661.239,55	6.770,71
Due to customers	16	39.248.281,52	33.919.429,13
Other Liabilities	17	455.474,84	253.012,57
Accrued Expenses	18	181.241,27	127.819,07
Provisions	19	104.413,13	86.222,86
<b>Total</b>		<b>41.650.650,31</b>	<b>34.393.254,33</b>
<b>Equity</b>			
Capital	20	33.000.000,00	33.000.000,00
Other Reserves	21	102.511,58	136.571,20
Retained Earnings	22	(18.069.828,34)	(17.003.757,54)
<b>Total</b>		<b>15.032.683,24</b>	<b>16.132.813,66</b>
<b>Total equity and liabilities</b>		<b>56.683.333,55</b>	<b>50.526.067,98</b>

## Income Statement

	Note	1.1-31.12.2019	1.1-31.12.2018
Interest and Similar Income	23	1.915.709,45	1.624.334,00
Interest expense and Similar Charges	24	(504.243,71)	(289.853,77)
<b>Net interest income</b>		<b>1.411.465,74</b>	<b>1.334.480,23</b>
Fee and commission income	25	192.787,79	188.238,12
Fee and commission expense	26	(569,25)	(1.182,52)
<b>Net fee and commission expense</b>		<b>192.218,54</b>	<b>187.055,60</b>
Other Operating Income	27	90.870,08	103.927,07
Operating Expenses	28	(2.367.594,13)	(2.556.666,89)
Impairment Provisions for Covering Credit Risk	30	(347.019,69)	(196.001,39)
Other provisions	19	(22.238,36)	(1.864,56)
Financial Transactions and Investment Portfolio	29	15.315,29	2.718,77
Other Expenses and Losses	32	(47.217,17)	(140.265,64)
Other Income and Profit	31	8.128,91	26.494,42
<b>Profit / (loss) before tax</b>		<b>(1.066.070,79)</b>	<b>(1.240.122,38)</b>
Income tax	33	-	-
<b>Profit / (loss) for the period</b>		<b>(1.066.070,79)</b>	<b>(1.240.122,38)</b>



# **Attachment to Financial Statements as of December 31<sup>st</sup>, 2019**

## **1. General Information About the company**

The Company T.C. Ziraat Bankasi A.S. - Athens Central Branch is domiciled at 2, Ermou Str., 105 63, Syntagma Square, Athens and is a Credit Institution.

T.C. Ziraat Bankasi A.S. - Athens Central Branch is the Greek Branch of the parent Bank T.C. Ziraat Bankasi A.S. - Turkey.

The Financial Statements of the branch are incorporated into the Financial Statement of the parent company in Turkey.

The Bank operates in Greece, holding branches in Athens, Komotini, Xanthi and Rhodes. Rhodes branch doesn't operate from February 2018.

The Financial Statements cover the reporting period from January 1 to December 31, 2019.

## **2. Basis for Presentation of Financial Statements**

The Financial Statements of T.C. Ziraat Bankasi A.S. - Athens Central Branch (hereinafter "the Bank") have been prepared in compliance with the Greek Accounting Standards (Greek GAAP) under Law 4308/2014, as amended and currently effective. The Bank belongs to the entities specified under par. 2(a) of Law 4308/2014 and is classified as a small entity.

The amounts are recorded in Euro (unless otherwise mentioned).

Where deemed necessary, the comparative sizes have been adjusted to facilitate compliance with changes in presentation within the current period, given the implementation of Law 4308.

The Financial Statements have been prepared under the historical cost principal, with the exception of available-for-sale investments, measured at fair value.

The preparation of the financial statements under the Greek GAAP requires that the Banks's management carries out estimates and assumptions, which may affect both - the accounting balances and the required disclosures for contingent liabilities on the date of preparation of the financial statements. Using available data and making estimates and assumptions while applying the accounting policies is integral to making estimates in respect of the following issues: provisions for loan impairment, investment portfolio impairment, assessment of liabilities from employee end-of-service benefits, tax non-inspected FYs.

The Bank's Financial Statements have been prepared based on going concern principle.

The current Financial Statements have been prepared in full compliance with Law 4308/2014.

### 3. Key Accounting Policies

The Bank applies the following accounting principles in order to monitor the separate items of Financial Statements:

#### 3.1 Property, Plant and Equipment

##### a) Initial Recognition

Property, plant and equipment are initially recorded at acquisition cost, which includes every expenses incurred in order to achieve the current state or desired use of the assets.

##### b) Subsequent Depreciation

Subsequently to initial recognition, property, plant and equipment are carried at amortized cost (initial acquisition cost plus any subsequent expenses meeting the asset definition, less accumulated depreciation and impairment losses).

Depreciation of property, plant and equipment is calculated using the straight line method over the assets useful life, estimated as follows:

<u>Description</u>	<u>Depreciation Rate</u>
Buildings and buildings fixed installations	8,33%
Vehicles	10%
Furniture and other fixtures	10%
PC equipment	20%

#### 3.2 Intangible Assets

##### a) Initial Recognition

In general, intangible assets include licenses - concessions - options, software, trade names and trademarks.

The value of licenses - concessions – options includes the acquisition cost of the aforementioned assets, and any expenditure subsequently performed to extend the duration of their validity, less accumulated amortization and impairment losses.

The Bank holds software licenses. Value of software includes computer software acquisition cost and any expenses incurred in order to put the software into operation, less the amount of accumulated depreciation and any impairment losses. Subsequent significant expenditure is capitalized when the software augments its performance beyond the initial specifications.

### **b) Subsequent Amortization**

Following the initial recognition, intangible assets with definite useful life are carried at acquisition cost less amortisation and impairment losses when deemed that such losses are of permanent nature. Intangible assets with contractually defined useful life are amortized within the specifically defined time. Regarding intangible assets without contractually defined useful life, amortisation is carried out based on their estimated useful life.

Depreciation/Amortisation of all the aforementioned items is included in the income statement.

<u>Description</u>	<u>Depreciation Rate</u>
Software	20%
Other intangible assets	20%

Under the disposal of tangible, intangible and financial assets, the difference between the book value and the disposal consideration is recognised as profit/loss in the income statement.

## **3.3 Investment Securities**

### **a) Initial Recognition**

Investment securities are initially recognized at fair value (including transaction costs and premiums/discounts) and include securities classified as Available for Sale and Held to Maturity, based on the characteristics of the securities and the Bank's intention as at the acquisition date.

### **b) Subsequent Measurement**

**Available for sale** - Following the initial recognition, available for sale securities are subsequently recorded at fair value. Unrealized gains and losses arising from changes in their fair value are recognized directly in equity in the appropriate Reserves account.

Available for sale investment securities can be disposed of in order to meet liquidity needs or address changes in interest rates, exchange rates and securities prices.

When investment securities available for sale are disposed of or impaired, the cumulative unrealized gains or losses, included in the equity reserves, are transferred from equity to the income statement in the account "Net trading income and investment portfolio".

**Held to maturity** – Such financial assets include securities that are not derivatives and have fixed and determinable payments and are of fixed maturities/ Moreover, the Bank intends and is in position to hold them to their maturity. The aforementioned securities are measured at amortized value, less any impairment, using the effective interest method or

the straight-line method. Calculating the amortized cost includes any Premium or discount amounts, plus transaction costs.

### **c) Impairment**

At every Financial Statements preparation date, the Bank assesses whether or not there is objective evidence indicating that investment securities have been impaired. It is considered that indications of impairment pertain to the following cases:

- There are obvious, significant financial difficulties of the issuer or obligor of the financial asset, or
- The carrying amount is significantly higher than the fair value of the assets in question, or
- Unfavorable local, national or international conditions increase the likelihood of defaulting the major commitments arising from financial assets.

Impairment loss occurs when the carrying amount of the asset is higher than the amount that the entity expects to recover from the asset.

**Available for sale** - if there is objective evidence of impairment of available for sale financial assets, the cumulative loss, measured as the permanent and continuous difference between acquisition cost and current value (less costs to sell) is transferred from equity to the income statement.

**Held to maturity** - if there is objective evidence of impairment of held to maturity assets, the impairment amount, recognized in the income statement, is the balance between amortized cost and the recoverable amount that the Bank expects to recover. The recoverable amount is the present value estimated to be received from the asset, measured using the initial effective interest rate.

Impairment losses are recorded in the income statement and are reversed as profit when the conditions that have initially caused them are no longer effective. Losses are reversed up to the value the item would have in case no impairment loss had been recorded.

Loans and receivables denominated in foreign currency are measured at the exchange rate of foreign currency effective as at the balance sheet date. The related foreign currency exchange differences are recorded in the income statement.

## **3.4 Loans and Receivables**

Loans and receivables from clients include loans granted directly to the borrowers.

### **a) Initial Recognition**

Loans and receivables from clients are recognized in the financial statements as at the date the amounts are disbursed to the borrowers. Initially, loans and receivables are recognized at fair value, which, usually, represents the net amount of the initial disbursement plus the additional amount of initial disbursement and includes the additional costs directly related

to loan issuance and fees or commissions taken into account under the calculation of effective interest rate of the loan.

#### **b) Subsequent Measurement**

Subsequently, loans are measured at amortized cost applying the effective interest method if the amortized cost method has a significant effect on the amounts of the Financial Statements.

#### **c) Impairment**

At every Financial Statements preparation date, the Bank assesses whether or not there is objective evidence indicating that a loan or a group of loans have been impaired. It is considered that indications of impairment pertain to the following cases:

- There are obvious, significant financial difficulties of the issuer or obligor of the financial asset, or
- The carrying amount is significantly higher than the fair value of the assets in question, or
- Unfavorable local, national or international conditions increase the likelihood of defaulting the major commitments arising from financial assets.

Impairment loss occurs when the carrying amount of the loan is higher than the amount that the entity expects to recover from the loan.

### **3.5 Income Tax**

#### **a) Current Tax**

The current income tax includes the income tax arising under the provisions of the applicable tax legislation.

Regarding the tax non-inspected FYs, the Company makes the relative provision depending on the extent, to which it estimates that differences will arise from the future tax inspection.

#### **b) Deferred Tax**

Deferred taxes arise when there are temporary (reversible) differences between book value and tax base of balance sheet items.

The Company's accounting policy is not record deferred taxes, based on the provisions of the Greek Accounting Standards.

### **3.6 Other Accounting Policies**

#### **Advance payments and other non-financial assets**

Advance payments are initially recorded at acquisition cost (the amounts paid) and are subsequently measured at initial acquisition cost, less the amounts used under the accrued

basis and any impairment losses. Impairment of advance payments pertains to the case in which the recipient of the amount in question is not in a position either to meet the commitment or to repay the balance amount.

Other non-financial assets are initially recorded at acquisition cost and are subsequently measured at the lower of cost and recoverable amount, i.e. the amount expected to be received.

#### Write-off

A financial asset is derecognised when, and only when the contractual rights to the cash flows of the asset have expired or and substantially all the risks and rewards of ownership of the asset have been transferred.

#### **Provisions for employee service termination benefits**

Provisions for employee service termination benefits are recognised and measured at the legally estimated nominal amounts as at the Balance Sheet date.

#### **Other Provisions**

Other provisions are initially recognized and subsequently measured at the nominal amount expected to be demanded under their settlement.

#### **Financial Liabilities**

Financial liabilities are initially recognised and subsequently measured at their nominal amounts.

#### **Revenue – Expenses**

Revenue and expenses are recognised in the income statements when they become accrued.

#### **Foreign Currency Transactions**

A transaction in foreign currency is translated upon initial recognition into the currency in which the financial statements of an entity are prepared using the current FOREX exchange rate. At the end of every reporting period: (a) monetary items are translated as at the closing rate at the balance sheet date, (b) non-monetary items denominated in foreign currency, measured at historical cost. are translated at the initial recognition rate.

FOREX differences arising under the settlement of monetary items or from the translation at a rate that differs from that effective under translation or during the preparation of the previous financial statements, are recognized in the period in which they occur.

### **4. Risk Factors Regarding the Bank's Potential to Continue as Going Concern**

In early 2020, there was a global outbreak of coronavirus (COVID-19) which impacted the global supply and demand, including Greece. The extent to which COVID-19 will continue to

affect the Bank's operations will largely depend on future developments which are highly uncertain and cannot be predicted at this point in time. Based on management's current assessment no deviation from the going concern basis is expected.

#### **5. Deviations from Legal Provisions in order to Ensure Fair Presentation of Financial Statements**

No need for such deviations has arisen within the current period.

#### **6. Assets or Liabilities Related to More than One Balance Sheet Item**

There are no assets or liabilities related to more than one Balance Sheet item.

## Information on Financial Statements Items

### 7. Cash and Balances with Central Bank

#### Cash and Balances with Central Bank

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Cash in Euro	661.940,50	862.181,77
Cash in foreign currency	48.654,31	12.631,73
Cash in Central Bank	295.640,00	217.920,00
<b>Total</b>	<b><u>1.006.234,81</u></b>	<b><u>1.092.733,50</u></b>

### 8. Due from Banks

Receivables are analysed as follows, per Credit Institution participating interest:

#### Due from Banks

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Sight deposits in Credit institutions in Greece - in foreign countries	1.310.721,44	299.039,95
Sight deposits in related parties	382.780,82	2.995.173,32
Time deposits	9.000.000,00	9.000.000,00
Current Nostro Accounts	2.166.383,15	766.027,49
Receivables from related parties	13.596.634,06	10.294.871,72
<u>Receivables from other institutions</u>	<u>0,00</u>	<u>0,00</u>
<b>Total</b>	<b><u>26.456.519,47</u></b>	<b><u>23.355.112,48</u></b>

There are no receivables from subordinated Credit Institutions.

### 9. Loans and advances to customers

#### Loans and advances to customers

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Receivables from Loans	20.849.878,06	19.813.579,19
Letter of credit	2.243.793,29	0,00
Less: Provisions for doubtful debts	(2.689.080,05)	(2.342.060,36)
<b>Total</b>	<b><u>20.404.591,30</u></b>	<b><u>17.471.518,83</u></b>



## 9.1 Time-based Analysis of Loans and Receivables from Clients

Receivables from clients are analysed as follows pertaining to their maturities:

<b>Loans (in '000 €)</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
- To one year	10.990	11.975
- More than one year	7.044	4.917
- Without particular duration	102	85
- Delays above 90 days	2.714	2.837
<b><u>Total</u></b>	<b><u>20.850</u></b>	<b><u>19.814</u></b>

## 9.2 Category-based Analysis of Loans and Receivables from Clients

	<b>31/12/2019</b>	<b>31/12/2018</b>
Consumer loans	1.903.574,00	1.846.242,76
Corporate loans	16.636.711,94	15.923.435,11
Mortgages	2.207.490,88	1.958.816,44
Overdrafts & legal expenses	102.101,24	85.084,88
<b><u>Total</u></b>	<b><u>20.849.878,06</u></b>	<b><u>19.813.579,19</u></b>

## 10. Investment Securities

### Investment Securities

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Greek Government Bonds	2.022.016,73	1.971.574,39
Turkish Government Bonds	3.767.229,00	3.814.737,00
<b><u>Total</u></b>	<b><u>5.789.245,73</u></b>	<b><u>5.786.311,39</u></b>

## 10.1 Assets Held to Maturity

On 15/11/2017, the Greek State proceeded to the optional exchange of 20 bonds ("Designated Securities"), which were issued on 24/2/2012, in the context of Hellenic Republic debt restructuring, with the participation of the private sector (PSI), with 5 new bonds. The exchange aimed to align the outstanding debt of Hellenic Republic with market standards in order to normalize the yield curve as well as to improve the liquidity of the bonds in the secondary market.

The exchange was recorded with a defined exchange ratio with the new bonds to mature within 5-year, 10-year, 15-year, 17-year and 25-year duration, while the average duration remained unchanged to the old securities. The new bonds bear fixed interest rate between 3,5% and 4,2%. In the exchange on 5/12/2017 TC Ziraat Bankasi AS –Athens Central Bank participated with securities of nominal value of € 3.622.500 receiving new securities with a nominal value of € 3.662.404. The transaction was treated from accounting perspective as a modification of the contractual terms of the designated securities.

Changes in assets held to maturity for FYs 2019 and 2018 are analysed as follows:

	<b>Greek Government Bonds</b>
<b>Balance 01.01.2018</b>	<b>1.894.829,99</b>
Premium / discount	76.744,39
<b><u>Balance 31.12.2018</u></b>	<b><u>1.971.574,39</u></b>
<b>Balance 01.01.2019</b>	<b>1.971.574,39</b>
Premium / discount	50.442,35
<b><u>Balance 31.12.2019</u></b>	<b><u>2.022.016,73</u></b>

The aforementioned securities are measured at amortized cost.

## 10.2 Assets Available for Sale

Changes in assets available for sale for FYs 2019 and 2018 are analysed as follows:

	<b>Turkish Government Bonds</b>
<b>Balance 01.01.2018</b>	<b>4.056.791,00</b>
Premium / discount	(121.730,00)
Impairment for the period	(120.324,00)
<b><u>Balance 31.12.2018</u></b>	<b><u>3.814.737,00</u></b>
<b>Balance 01.01.2019</b>	<b>3.814.737,00</b>
Impairment for the period	(47.508,00)
<b><u>Balance 31.12.2019</u></b>	<b><u>3.767.229,00</u></b>

The aforementioned securities are measured at fair value.

## 11. Intangible Assets

The following tables show the movements in intangibles assets:

	Software	Other Intangible Assets	Total
<b>Gross Carrying amount</b>			
Balance 01.01.2018	695.684,17	343.922,67	1.039.606,84
Additions	227.676,40	0,00	227.676,40
<b>Balance 31.12.2018</b>	<b>923.360,57</b>	<b>343.922,67</b>	<b>1.267.283,24</b>
<b>Amortisation and Impairment</b>			
Balance 01.01.2018	(590.622,60)	(343.922,65)	(934.545,25)
Amortisation	(72.003,80)	0,00	(72.003,80)
<b>Balance 31.12.2018</b>	<b>(662.626,40)</b>	<b>(343.922,65)</b>	<b>(1.006.549,05)</b>
<b>Carrying amount 31.12.2018</b>	<b>260.734,17</b>	<b>0,02</b>	<b>260.734,19</b>
<b>Gross Carrying amount</b>			
Balance 01.01.2019	923.360,57	343.922,67	1.267.283,24
Additions	222.208,00	0,00	222.208,00
<b>Balance 31.12.2019</b>	<b>1.145.568,57</b>	<b>343.922,67</b>	<b>1.489.491,24</b>
<b>Amortisation and Impairment</b>			
Balance 01.01.2019	(662.626,40)	(343.922,65)	(1.006.549,05)
Amortisation	(80.159,55)	0,00	(80.159,55)
<b>Balance 31.12.2019</b>	<b>(742.785,95)</b>	<b>(343.922,65)</b>	<b>(1.086.708,60)</b>
<b>Carrying amount 31.12.2019</b>	<b>402.782,62</b>	<b>0,02</b>	<b>402.782,64</b>

## 12. Property, Plant and Equipment

The following tables show the movements in property, plant and equipment:

	Buildings	Vehicles	Furniture and other fixtures	Total
<b>Gross Carrying amount</b>				
Balance 01.01.2018	1.487.064,59	34.510,00	777.191,62	2.298.766,21
Additions	17.928,06	0,00	40.646,91	58.574,97
Reductions	0,00	(34.510,00)	0,00	(34.510,00)
<b>Balance 31.12.2018</b>	<b>1.504.992,65</b>	<b>0,00</b>	<b>817.838,53</b>	<b>2.322.831,18</b>
<b>Depreciation and Impairment</b>				
Balance 01.01.2018	(899.743,84)	(26.587,08)	(634.925,77)	(1.561.256,69)
Depreciation	(102.442,01)	(1.437,92)	(59.848,18)	(163.728,11)
Reductions in depreciation	0,00	28.025,00	0,00	28.025,00
Destructions	(121.592,75)	0,00	0,00	(121.592,75)
<b>Balance 31.12.2018</b>	<b>(1.123.778,60)</b>	<b>0,00</b>	<b>(694.773,95)</b>	<b>(1.818.552,55)</b>
<b>Carrying amount 31.12.2018</b>	<b>381.214,05</b>	<b>0,00</b>	<b>123.064,58</b>	<b>504.278,63</b>
<b>Gross Carrying amount</b>				
Balance 01.01.2019	1.504.992,65	0,00	817.838,53	2.322.831,18
Additions	1.854,05	0,00	1.434,00	3.288,05
Reductions	(247.966,56)	0,00	0,00	(247.966,56)
<b>Balance 31.12.2019</b>	<b>1.258.880,14</b>	<b>0,00</b>	<b>819.272,53</b>	<b>2.078.152,67</b>
<b>Depreciation and Impairment</b>				
Balance 01.01.2019	(1.123.778,60)	0,00	(694.773,95)	(1.818.552,55)
Depreciation	(105.604,68)	0,00	(43.909,28)	(149.513,96)
Reductions in depreciation	247.966,56	0,00	0,00	247.966,56
<b>Balance 31.12.2019</b>	<b>(981.416,72)</b>	<b>0,00</b>	<b>(738.683,23)</b>	<b>(1.720.099,95)</b>
<b>Carrying amount 31.12.2019</b>	<b>277.463,42</b>	<b>0,00</b>	<b>80.589,30</b>	<b>358.052,72</b>

The Bank's assets are not burdened with liens or notices of charge.



### 13. Other Assets

Other assets are analysed as follows:

<u>Other Assets</u>	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
Other accounts receivables	50,33	943,83
Other Assets	1.114.537,87	979.571,35
Withholding taxes	59.687,50	31.243,75
Debit credit accounts	317,16	317,16
Long term receivables from guarantees	646.157,40	646.091,79
<b><u>Total</u></b>	<b><u>1.820.750,26</u></b>	<b><u>1.658.167,88</u></b>

Receivables arising from guarantees are presented below as follows:

<u>Long term receivables from guarantees</u>	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
Guarantees for rents - Public Power Corporation - Water Supply & Sewerage Systems Company	9.898,16	9.898,16
Guarantees for car leasing	2.168,00	2.168,00
Other guarantees	1.171,44	1.171,44
Deposits Guarantee Fund	632.919,80	632.854,19
<b><u>Total</u></b>	<b><u>646.157,40</u></b>	<b><u>646.091,79</u></b>

### 14. Prepaid Expenses & Accrued income

The Bank's prepaid expenses are analysed as follows:

<u>Prepaid Expenses &amp; Accrued income</u>	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
<b>Prepaid expenses</b>		
Third parties fees	26.090,05	27.841,97
Prepaid taxes - duties	1.184,37	1.129,67
Other expenses	5.607,43	5.439,68
<b>Accrued income</b>		
Other accrued interest	85.327,46	78.175,60
Accrued interest on loans	78.637,34	36.314,19
Accrued interest on bonds	248.309,97	248.309,97
<b><u>Total</u></b>	<b><u>445.156,62</u></b>	<b><u>397.211,08</u></b>

## 15. Due to Banks

### Due to Banks

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
<b>Deposits</b>		
Interbank deposits	997.531,54	6.770,71
<b>Other liabilities</b>		
Checks payable through DISEE	661.631,83	0,00
Other liabilities	2.076,18	0,00
<b>Total</b>	<b><u>1.661.239,55</u></b>	<b><u>6.770,71</u></b>

## 16. Due to customers

### Due to customers

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
<b>Deposits</b>		
Sigh deposits / savings	14.947.700,54	16.072.815,08
Time deposits	24.270.568,48	17.846.614,04
<u>Other liabilities</u>	<u>30.012,50</u>	<u>0,00</u>
<b>Total</b>	<b><u>39.248.281,52</u></b>	<b><u>33.919.429,13</u></b>

## 17. Other Liabilities

The Bank's other liabilities are analysed as follows:

### Other liabilities

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
VAT	573,36	597,84
Tax on salaries	55.984,11	52.094,94
Tax on third parties fees	1.064,00	1.000,00
Contribution of law 128 /75	52,11	44,08
Tax on interest of deposits	16.318,70	4.311,69
Amounts owed to social security	49.042,05	52.024,55
Other	48.250,67	15.651,33
Amounts owed to suppliers accounts	245.260,94	91.115,04
Customer accounts advances security boxes	27.500,00	25.500,00
Budgeted revenue from commissions	8.813,56	8.107,76
Other accounts	2.615,34	2.565,35
<b>Total</b>	<b><u>455.474,84</u></b>	<b><u>253.012,57</u></b>

## 18. Accrued Expenses

### Accrued Expenses

	31/12/2019	31/12/2018
	(amounts in €)	(amounts in €)
Accrued expenses (payable)	29.959,18	28.181,63
Accrued interest on deposits (payable)	151.282,09	99.637,44
<b>Total</b>	<b><u>181.241,27</u></b>	<b><u>127.819,07</u></b>

## 19. Provisions

	Provisions for employee retirement or redundancy compensation
Balance 01.01.2018	109.264,56
Additions	(23.041,70)
<b>Balance 31.12.2018</b>	<b>86.222,86</b>
Balance 01.01.2019	86.222,86
Additions	18.190,27
<b>Balance 31.12.2019</b>	<b>104.413,13</b>

## 20. Capital

Athens Branch T.C. Ziraat Bankasi A.S. holds no capital, which is replaced by an amount of € 33.000.00,00 of endowment account.



## 21. Other Reserves

### Other Reserves

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
Reserve from Turkish Government Bonds valuation at fair value	62.107,58	96.167,20
Tax-free reserve from Greek Government Bonds valuation at fair value	40.404,00	40.404,00
<b>Total</b>	<b><u>102.511,58</u></b>	<b><u>136.571,20</u></b>

## 22. Retained Earnings

### Retained Earnings

	(amounts in €)
Retained Earnings 1.1.2018	(15.763.635,16)
Profit / (loss) for the period 2018	(1.240.122,38)
<b>Retained Earnings 31.12.2018</b>	<b>(17.003.757,54)</b>
 <b>Retained Earnings 1.1.2019</b>	 (17.003.757,54)
Profit / (loss) for the period 2019	(1.066.070,79)
<b>Retained Earnings 31.12.2019</b>	<b>(18.069.828,34)</b>

## 23. Interest and Similar Income

The Bank's interest and similar income are analysed as follows:

### Interest and Similar Income

	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
Interest on securities with fixed yields	368.673,50	394.975,54
<i>Other interest and similar income:</i>		
Interest from loans	1.031.981,57	880.645,26
Other income receivable	515.054,38	348.713,20
<b>Total</b>	<b><u>1.915.709,45</u></b>	<b><u>1.624.334,00</u></b>

## 24. Interest expense and Similar Charges

The Bank's interest and similar charges are analysed as follows:

### Interest expense and Similar Charges

	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
Contributions of Bank (L 128)	106.540,53	93.732,58
Interest payable due to deposits (Sight deposits, Savings, Time deposits)	397.703,18	196.121,19
<b>Total</b>	<b><u>504.243,71</u></b>	<b><u>289.853,77</u></b>

## 25. Fee and commission income

Revenue from bank fees and commissions is analysed as follows:

### Fee and commission income

	<b>31/12/2019</b> <b>(amounts in €)</b>	<b>31/12/2018</b> <b>(amounts in €)</b>
Commissions from letters of guarantee	30.811,26	28.109,68
Commissions from working capital	8.824,27	8.289,61
Commissions from foreign exchange	43.502,37	46.302,26
Commissions from other operations	109.649,89	105.536,57
<b>Total</b>	<b><u>192.787,79</u></b>	<b><u>188.238,12</u></b>

## 26. Fee and commission expense

Expenses from bank fees and commissions are analysed as follows:

### Fee and commission expense

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
Commission expenses	569,25	1.182,52
<b>Total</b>	<b><u>569,25</u></b>	<b><u>1.182,52</u></b>

## 27. Other Operating Income

Other operating income is analysed as follows:

### Other Operating Income

	31/12/2019 (amounts in €)	31/12/2018 (amounts in €)
Contribution of Parent Company to the Branch's expenses	83.456,70	98.258,70
Other Income	7.413,38	5.668,37
<b>Total</b>	<b><u>90.870,08</u></b>	<b><u>103.927,07</u></b>

## 28. Operating Expenses

Operating expenses are analysed as follows:

### Operating Expenses

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Wages and salaries	1.036.710,59	1.084.918,21
Employee related other expenses and allowances	31.000,00	27.665,00
Employer contributions	237.013,63	242.236,04
Termination Benefits	0,00	69.040,54
Lawyers fees	57.831,47	52.427,00
Auditors fees	26.500,00	41.600,00
Valuers, Engineering, Notaries, Translators fees	1.002,00	944,00
Other third parties fees	48.175,93	94.072,30
Telecommunication services	36.861,84	46.017,97
Rent expenses	192.447,95	212.331,42
Insurance expenses	7.330,61	10.196,61
Repair and maintenance expenses	42.490,09	35.383,37
Electricity	23.661,58	31.406,85
Water	675,62	1.644,78
Security	47.831,21	44.669,00
Cleaning expenses	10.800,00	11.850,00
Taxes - duties	105.801,85	112.390,67
Withholding taxes	14.175,00	10.762,50
Stamp duty on rent	6.324,54	6.665,76
Transportation expenses	8.297,21	11.948,84
Travelling expenses	2.661,80	18.959,02
Promotion and advertisement expenses	5.918,95	11.270,77
Subscriptions - contributions	16.397,00	15.302,78
Donations - Grants	1.000,00	0,00
Printed material and office supply expenses	2.750,71	3.328,77
Supplies of immediate consumption	1.655,74	1.545,83
Other expenses	41.411,34	40.383,63
IT support expenses	100.039,23	51.370,59
Expenses for supervision and extraordinary missions	7.523,73	11.515,00
TEKE expense	23.631,00	19.087,73
Depreciation/Amortisation	229.673,51	235.731,91
<b>Total</b>	<b><u>2.367.594,13</u></b>	<b><u>2.556.666,89</u></b>

## 29. Financial Transactions and Investment Portfolio

Financial transactions and investment portfolio are analysed as follows:

### Financial Transactions and Investment Portfolio

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Foreign currency gains	7.710.170,96	7.969.193,11
Foreign currency losses	(7.694.855,67)	(7.966.474,34)
<b>Total</b>	<b><u>15.315,29</u></b>	<b><u>2.718,77</u></b>

## 30. Impairment Provisions for Covering Credit Risk

### Impairment Provisions for Covering Credit Risk

	<b>31/12/2019</b>	<b>31/12/2018</b>
	<b>(amounts in €)</b>	<b>(amounts in €)</b>
Provision for Doubtful Debts	347.019,69	196.001,39
<b>Total</b>	<b><u>347.019,69</u></b>	<b><u>196.001,39</u></b>

## 31. Other Income and Profit

Extraordinary and non-operating income amounted to € 8.128,91 as at 31.12.2019 and to € 26.494,42 as at 31.12.2018.

## 32. Other Expenses and Losses

Extraordinary and non-operating expenses amounted to € 47.217,17 as at 31.12.2019 and to € 140.265,64 as at 31.12.2018.

## 33. Income Tax

Under the Greek effective tax legislation, the income tax rate for legal entities is defined as that of 24%. The Bank has accumulated tax losses which, in line with the accounting policy option not to record deferred assets, results in the financial statements not being affected by current and deferred income tax.

### 34. Number of Headcount and Personnel Fees

The Bank's average headcount analysed per category and FY is as follows:

#### Average of bank's personnel

	31/12/2019	31/12/2018
Bank's personnel	23	25

The Bank's personnel fees are analysed as follows:

#### Employee compensation and expenses

	31/12/2019	31/12/2018
	(amounts in €)	(amounts in €)
Wages and salaries	1.036.710,59	1.084.918,21
Employer contributions	237.013,63	242.236,04
Employee related other expenses and allowances	31.000,00	27.665,00
Termination Benefits	0,00	69.040,54
<b>Total</b>	<b><u>1.304.724,22</u></b>	<b><u>1.423.859,79</u></b>

### 35. Financial Commitments

The Bank has operating lease agreements pertaining to leasing buildings and vehicles. The rentals to be paid in the following years are analysed below as follows:

Amounts in euro	Buildings	Cars
Not later than one year	70.600,00	7.210,34
Later than one year and no later than five years	108.000,00	6.682,62
Later than five years	183.000,00	0,00
<b>Total</b>	<b><u>361.600,00</u></b>	<b><u>13.892,96</u></b>



## 36. Guarantees

The Bank has issued the following guarantees:

<b>Contingent liabilities</b>	<b>31/12/2019</b>	<b>31/12/2018</b>
Beneficiaries assets	2.075.517,95	2.083.891,65
Contracts and agreements weighted risk	5.071.527,98	4.810.600,82
Assets from bilateral agreements	7.058.152,16	1.495.580,30
Debit memo accounts	<u>68.864.625,06</u>	<u>64.340.112,00</u>
<b><u>Total off-balancesheet items</u></b>	<b><u>83.069.823,15</u></b>	<b><u>72.730.184,77</u></b>

## 37. Contingent Liabilities

There are no litigations or legal disputes under arbitration that may have a significant effect on the financial position of the Bank.

The Bank has been tax-inspected for the period (29/01/2008-31/12/2009), while its tax liabilities for FY 01/01/2010- 31/12/2010 have not been finalized.

The Branch has obtained by external auditors unqualified tax certificates for years 2011-2018. For 2019, the tax audit is in progress and the relative tax certificate will be issued following the publication of the financial statement for FY 2019. If additional tax obligations arise till the finalization of the tax audit, it is not expected that they will significantly affect the Financial Statements.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company. In light of the above, as a general rule, the right of the Greek State to impose taxes up to tax year 2013 (included) has been time-barred for the Branch.

### **38. Advance Payments and Credits to Members of the Management, Administrative and Supervisory Bodies**

The fees of the members of the branch administration and management stand at € 430.415 as at 31.12.2019 and € 462.183 as at 31.12.2018.

Athens, November 24, 2020

Senior Country Manager

Country Director & Financial Manager

Operations

Onem Gülsün Seda

Vassilios K. Fotiou

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