Company Registration Number: 07715233

KARTA II PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

KARTA II PLC

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FOR THE YEAR ENDED 31 DECEMBER 2021

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KARTA II PLC

OFFICERS AND PROFESSIONAL ADVISERS

Directors	Wilmington Trust SP Services (London) Limited D J Wynne
Company secretary	Wilmington Trust SP Services (London) Limited
Company number	07715233
Registered office	Wilmington Trust SP Services (London) Limited Third Floor 1 King's Arms Yard London EC2R 7AF
Independent auditors	KPMG LLP, Statutory Auditor Chartered Accountants 15 Canada Square Canary Wharf London E14 5GL

KARTA II PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and the audited financial statements of Karta II PLC (the "Company" or the "Issuer") for the year ended 31 December 2021. In accordance with IFRSs, and particularly IFRS 10 - Consolidated financial statements, the Company is considered to be controlled by Eurobank S.A. (the "Transferor" or the "Originator" or the "Servicer" or the "Parent Company"), a bank incorporated in Greece. The Company was incorporated in England and Wales together with Karta II Holdings Limited (the "Holdings") to take part in the Karta II securitisation transaction (the "Securitisation Transaction") as described in the Strategic Report. In addition to the information in the Strategic Report regarding the Securitisation Transaction, the directors manage the Company's affairs in accordance with the Offering Circular (the "Offering Circular") dated 15 August 2011 which was further amended by the Global Amendment Deed and Noteholder Consent on the 25 September 2013, 8 February 2016, 13 October 2017, 30 January 2019 and 23 September 2020.

On the 23 September 2020 the Company issued €303,000,000 Class A Notes and €66,600,000 Class B Notes listed on the Vienna Stock Exchange. The proceeds of these Notes, in addition to cash held at bank, was used to repay in full the existing €400,000,000 Class A Notes listed on the Irish Stock Exchange. The Class B Notes are retained by the Originator and therefore form part of the credit enhancement within the structure and are included within the Deemed Loan to the Originator.

The Notes amortisation period will start in March 2023 (the 'Bullet Maturity Date') with the 'Final Maturity Date' in September 2025. The Bullet maturity date signifies the end of the securitisation's revolving period. During the revolving period, receivables can be transferred out of (receivables prior to denouncement) and into (replenishments of loans with higher credit quality) the securitisation scheme. During the amortisation period, collections are used to repay the notes, while no further transfers of receivables in the perimeter (replenishments) are performed.

The principal activities of the Company, Results and Dividends, Future Developments, Key Performance Indicators, Principal Risks and Uncertainties are detailed in the Strategic Report.

CORPORATE GOVERNANCE STATEMENT
The directors are responsible for the Company's internal control environment and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, errors, losses or fraud. The procedures enable the Company to comply with any regulatory obligations. For further details, refer to the notes to the financial statements particularly note 13 on financial risk management.

CREDITOR PAYMENT POLICY
The Company's policy concerning the payment of its trade creditors is to pay in accordance with its contractual and other legal obligations. All creditors are paid in accordance with the priority of payments set out in the Offering Circular.

DIRECTORS
The directors who served the Company during the year and up to the date of signing the financial statements were as follows:

Wilmington Trust SP Services (London) Limited
D J Wynne

THIRD PARTY INDEMNITIES
Third party indemnity provisions for the benefit of the directors were in force during the year under review and remain in force as at the date of approval of the annual reports and financial statements.

DIVIDENDS
The directors have not recommended a dividend (2020: €nil).

FUTURE DEVELOPMENTS
Information on future developments is included in the "Future Developments" section of the Strategic report.

FINANCIAL RISK MANAGEMENT
Information on Financial Risk Management is included in the "Principal Risks and Uncertainties" section of the Strategic report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.
- they consider, both individually and together, that they have acted in the way they consider, in good faith, would be the most likely to promote the business objectives of the Company, for the benefit of its stakeholders, in the decisions taken during the year ended 31 December 2020.

INDEPENDENT AUDITORS

KPMG LLP were reappointed as auditors for the current year. A resolution to appoint KPMG LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 489 of the Companies Act 2006.

Signed on behalf of the Board

Ioannis Kyriakopoulos
for and on behalf of Wilmington Trust SP Services (London) Limited
Director
27 June 2022

KARTA II PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report of Karta II PLC ("the Company") for the year ended 31 December 2021.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES
The principal activity of the Company is set by the Offering Circular and is that of a special purpose company incorporated for the securitisation of a portfolio of receivables (the "Receivables"). The Receivables consist of credit card agreements selected from the total portfolio of agreements entered into by the Transferor with obligors in Greece and originated by Eurobank S.A.

The Offering Circular sets out the details of the Securitisation Transaction.

On 16 August 2011 the Company issued €900,000,000 Class A Asset Backed Floating Rate Notes due 2019 (the "Class A Notes" or "Notes") and used the entire proceeds to purchase the Receivables. The Notes were listed on the Irish Stock Exchange.

A partial repayment of €200,000,000 was made on 25 September 2013 followed by €300,000,000 on 13 December 2017.

On the 23 September 2020 the Company issued €303,000,000 Class A notes and €66,600,000 Class B Notes listed on the Vienna Stock Exchange. The proceeds of these Notes, in addition to cash held at bank, was used to repay in full the existing €400,000,000 Class A Notes listed on the Irish Stock Exchange. The Class B Notes are retained by the Originator and therefore form part of the credit enhancement within the structure and are included within the Deemed Loan to the Originator.

Interest on the Notes is payable monthly in arrears on the 25th day of each month subject to adjustment for non-business days. The interest rate for the Class A Notes is 2.30 per cent per annum above the three month EURIBOR rate and for the Class B Notes 2.80 per cent per annum above the three month EURIBOR rate. The first interest payment date was on 25 October 2020.

The Notes amortisation period will start in March 2023 (the 'Bullet Maturity Date') with the 'Final Maturity Date' in September 2025. The Bullet maturity date signifies the end of the securitisation's revolving period. During the revolving period, receivables can be transferred out of (receivables prior to denouncement) and into (replenishments of loans with higher credit quality) the securitisation scheme. During the amortisation period, collections are used to repay the notes, while no further transfers of receivables in the perimeter (replenishments) are performed. The Loan Notes will fully be repaid and the transaction is due to close on the Final Maturity Date in 2025.

The sale of the Receivables to the Company is considered to fail the derecognition criteria of IFRS 9 financial instruments and therefore they are retained on the statement of financial position of the Originator. The Company records in its statement of financial position a receivable from the Originator (the "Deemed Loan to the Originator"), rather than the Receivables it has legally purchased.

In accordance with the Offering Circular, the Company will only retain €400 in respect of any interest payment date and the resulting difference is included in arriving at the deferred consideration payable to the originator.

The Company's only sources of funds for the payment of principal and interest due on the Notes are the principal and interest collections which the Company will be entitled to receive from the Receivables.

Credit enhancement is provided to the Notes mainly through the Class B Notes, deferred consideration and a reserve fund account funded through a subordinated loan from the Originator.

The Originator, in its capacity as an active servicer of the Company, has opted to proactively repurchase any Receivables prior to their designation as uncollectible. In addition, the credit enhancement structure of the transaction brings all relevant credit risks to the Originator, at a price equal to the outstanding balance of the relevant Receivable i.e. Principal Balance & Finance Charges (unpaid interest, fees and expenses) at the time of repurchase. Furthermore, receivables repurchased as per the aforementioned process are periodically replaced by those with higher credit quality, further strengthening the Company's financial position.

RESULTS AND DIVIDENDS
The results for the year and the Company's financial position at the end of the year are shown in the attached financial statements. The profit for the year was €3,888 (2020: €3,888). At the year end, the Company had net assets of €53,739 (2020: €49,851). The directors have not recommended a dividend (2020: €nil).

FUTURE DEVELOPMENTS
No changes are expected to the Company's operations in the future as the Company's operations are governed by the transaction documents. The future performance of the Company depends on the performance of the Receivables.

KEY PERFORMANCE INDICATORS
The key financial performance indicators of the business are considered to be the credit quality of the underlying Receivables as detailed in note 7, the Company's cash position and the credit enhancements in place, namely the Class B Notes, subordinated loan and the deferred purchase consideration.

SECTION 172 STATEMENT
Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the Company's stakeholders, including the impact of its activities on the community, the environment and the Company's reputation, when making decisions.

As a securitisation vehicle, the governance structure of the Company is such that the key policies have been predetermined at the time of issuance. The directors consider what is most likely to promote the success of the Company in the long term. The directors have had regards to the matters set out in section 172(1) of the Companies Act 2006 as follows:

- with reference to subsection (a) concerning the likely consequences of any decision in the long term: transaction documentation has been set up to achieve the Company's purpose and business objectives, safeguard the assets and promote the success of the Company with a long term view and as disclosed under basis of preparation in Note 1 and in accordance with relevant securitisation legislation the Company is only permitted to retain minimal profit.
- Due to the nature of the entity it has no employees therefore subsection (b) is not relevant.
- The Company operates within the parameters laid out by the transaction documents which governs how all the parties involved in the transaction interact, therefore subsection (c) and (e) is not relevant.
- Subsection (d) is not relevant as the Company's operations have no impact on the community or environment.
- The Company ownership structure is arranged such that subsection (f) has no impact.

PRINCIPAL RISKS AND UNCERTAINTIES
The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks affecting the Company and its management are set out in note 13 to the financial statements. Market liquidity constraints, limited availability of credit and difficult trading conditions continue to pose challenges to the borrowers with whom the Company has exposure through the Deemed Loan to the Originator. A detailed consideration of the risk factors relevant to the Securitisation Transaction is included in the section "Risk Factors" of the Offering Circular.

GOING CONCERN
The major macroeconomic risks and uncertainties in Greece are as follows: (a) the geopolitical conditions in the near or in broader region, especially the ongoing Russian invasion in Ukraine, and its ramifications on the regional and global stability and security, the European and Greek economy, and the energy sector in particular, (b) a prolongation and/or exacerbation of the ongoing inflationary pressure, especially in the energy sector and the supply chain, and its impact on economic growth, employment, public finances, household budgets, and firms' production costs, (c) further increase in the interest rates worldwide, and in the Euro Area in particular, that may exert upwards pressures on sovereign and private borrowing costs, (d) the actual size and duration of the current and potentially new fiscal measures aimed at alleviating the impact of rising energy and food prices, and their impact on the long-term sustainability of the country's public debt, (e) the impact of the withdrawal of the temporary support measures on growth, employment and the continual service of household and corporate debt, (f) the prospect of the so-called "twin deficits" (i.e. fiscal and current account deficit) becoming more

GOING CONCERN (continued)

structural, although currently they appear to be more a repercussion of the pandemic, (g) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (h) the implementation of the reforms and privatizations' agenda in order to meet the ES and EC's Recovery and Resilience Facility (RRF) targets and milestones, (i) the evolution of the health crisis and the probability of emergence of new Covid-19 variants that could adversely impact economic recovery and bring about new movement restrictions and fiscal support measures, and (j) the exacerbation of natural disasters due to the climate change and their effect on GDP, employment and fiscal balance.

Materialization of the above risks including those related to increased energy prices and inflation, would have potentially adverse effects on the fiscal planning of the Greek government, as it could decelerate the pace of expected growth and on the liquidity, solvency and profitability of the Greek banking sector, as well as on the realization of its NPE reduction plans. The Russian invasion in Ukraine poses uncertainties in global economy and international trade with far-reaching and long-term consequences. As the events are still unfolding, any assessment of their impact is premature. However, the risks coming from geopolitical upheaval could be potentially mitigated with coordinated measures at the European level, as per the pandemic precedent. In this context, the Group holds non-significant exposure in Russian assets and is continuously monitoring the developments on the macroeconomic and geopolitical fronts and has increased its level of readiness, so as to accommodate decisions, initiatives and policies to protect its capital and liquidity standing as well as the fulfilment, to the maximum possible degree, of its strategic and business goals for the quarters ahead, focusing primarily on the support of its clients to overcome the challenging juncture, the protection of its asset and capital base and the resilience of its pre-provision profitability.

However, it is expected these risks will have no material impact on the Company, given that the Originator retains substantially all the risks and rewards of the securitized Receivables Portfolio, the credit enhancement structure of the transaction and the repurchase mechanism of all credit cards by the Bank prior to the denouncement.

The Company's cash flows are derived from the Deemed Loan to the Originator which in turn is derived from the underlying Receivables Portfolio. In the event that there are insufficient funds available as a result of defaults on the Receivables, there is a risk that the Company will not be able to meet its principal and interest obligations in terms of the Notes after meeting its obligations in terms of the priority of payments.

The Originator's own going concern assessment is important for the Company as the Originator is responsible for servicing and administering the Receivables. The factors affecting the Originator's going concern are set out in note 1 to the financial statements.

Signed on behalf of the Board

Ioannis Kyriakopoulos
for and on behalf of Wilmington Trust SP Services (London) Limited
Director
27 June 2022

Independent auditor's report

to the members of Karta II PLC

1. Our opinion is unmodified

We have audited the financial statements of Karta II PLC ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, Cashflow Statement, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the board of directors.

We were first appointed as auditor by the directors on 5 August 2019. The period of total uninterrupted engagement is for 4 financial years ended 31 December 2021.

We have fulfilled our ethical responsibilities under, and we remain independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Overview		
Materiality: financial statements as a whole	€2,727,600 (2020:€2,729,000) 0.90% (2020: 0.90%) of Total Assets	
Key audit matters		**vs 2020**
Recurring risks	Recoverability of deemed loan to the Originator	◀▶

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matter (unchanged from 2020), in arriving at our audit opinion above, together with our key audit procedures to address the matter and, our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on this matter.

	The risk	Our response
Recoverability of deemed loan to the Originator € Nil provision; (2020: Nil provision) *Refer to Note 2 of the accounting policy for details*	**Risk of incorrect determination of the Expected Credit Loss (ECL) on deemed loan to Originator** **Subjective Estimate** The Company has a deemed loan to the Originator. The loan is collateralised on a portfolio of credit card receivables sold to the Company by the Originator. There is substantial credit enhancement in the structure via a subordinated loan and deferred consideration arrangement. In addition, the Originator re-purchases receivables prior to their designation as uncollectible. As a result, the Company has not incurred any credit losses since inception. IFRS 9 requires the Company to recognise an ECL on financial instruments which involve significant judgement and estimation. The risk is that the Company has not recorded an ECL in the financial statements at the year end due to management's assertion that a combination of repurchase of receivables prior to their designation as uncollectible and the credit enhancements available means that the risk of future credit losses is negligible.	Our procedures included: ▪ **Test of details:** Obtain written confirmation from the Originator that it intends to continue purchasing receivables prior to their designation as uncollectible for the remaining life of the transaction. Perform procedures to verify the existence of the subordinated loan. Verify the accuracy of the deferred consideration by validating movements during the year. Test the Company's right to be able to use the subordinated loan and deferred consideration to absorb losses, via the Offering Circular. Comparison of credit enhancements to repurchases of receivables by the Originator in prior years, and the level of ECL in the underlying portfolio. Comparison of the ageing of the Receivables portfolio post year end to that at year end to ascertain if the quality has fallen, which in turn could impact recoverability of the deemed loan. ▪ **Assessing transparency:** Assessed whether the disclosures appropriately disclose and address the uncertainty which exists when determining the ECL. **Our results** The results of our testing were satisfactory and we considered nil ECL and the related disclosures to be acceptable.

We continue to perform procedures over the going concern assumption which was identified as a key audit matter in the previous years. As a result of the reduction in risk and uncertainty in the wider macroeconomic environment due to COVID-19, and as there are no events which cast doubt on the ability of the Company to continue as going concern, we have not identified Going Concern as Key Audit Matter (Refer to note 4 for details).

KPMG

3. Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at €2,727,600 (2020: €2,729,000), determined with reference to a benchmark of Total Assets, of which it represents 0.90% (2020: 0.90%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality was set at 75% (2020 : 75%) of materiality for the financial statements as a whole, which equates to €2,045,700 (2020: €2,046,700). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We agreed to report to the Board of Directors any uncorrected identified misstatements exceeding €136,400 (2020: €136,400), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the company was undertaken to the materiality and performance materiality levels specified above and was performed in London and Athens.

4. Going concern

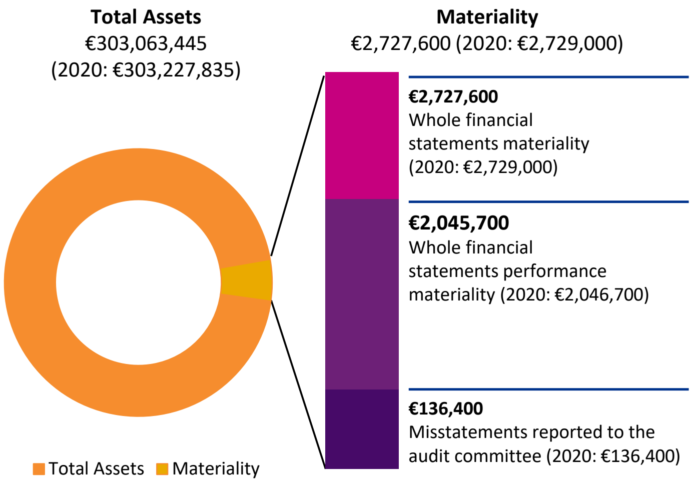
The directors have prepared the financial statements on going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in note 1 to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.



5. Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board committee minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls as management may be in a position to make inappropriate accounting entries. Additionally, on this audit we do not believe there is a fraud risk related to revenue recognition considering the revenue recognition is automatically calculated by the system and does not involve any judgements.

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: specified areas of money laundering, sanctions list and financial crime and various requirements governing securitisation transactions recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

6. We have nothing to report on the strategic report and the directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

— we have not identified material misstatements in those reports;

— in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and

— in our opinion those reports have been prepared in accordance with the Companies Act 2006.

7. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

— adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

— the financial statements are not in agreement with the accounting records and returns; or

— certain disclosures of directors' remuneration specified by law are not made; or

— we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

8. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page [A], the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

9. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Davidson (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Sovereign Square, Sovereign Street

LS1 4DA

Leeds

27 June 2022

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 €	2020 €
CONTINUING OPERATIONS			
Interest income	3	**7,254,329**	3,904,495
Interest expense	4	**(6,956,608)**	(3,446,675)
Net interest income		**297,721**	457,820
Administrative expenses	5	**(292,921)**	(453,020)
Profit before tax		**4,800**	4,800
Income tax charge	6	**(912)**	(912)
Profit for the year and total comprehensive income		**3,888**	3,888

The results for the current year and prior year were derived from continuing operations. There have been no recognised gains or losses during the year other than those recorded in the statement of profit or loss and other comprehensive income. Accordingly, no statement of other comprehensive income is presented.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share Capital €	Retained Earnings €	Total Equity €
Balance as at 1 January 2020	14,385	31,578	45,963
Profit for the year and total comprehensive income	-	3,888	3,888
Balance as at 1 January 2021	**14,385**	**35,466**	**49,851**
Profit for the year and total comprehensive income	-	3,888	3,888
Balance as at 31 December 2021	**14,385**	**39,354**	**53,739**

The notes on pages 15 to 27 form part of these financial statements.

KARTA II PLC

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	**2021** €	2020 €
Assets			
Deemed Loan to the Originator	7	**215,725,646**	238,118,639
Cash and cash equivalents	8	**87,337,798**	65,109,196
Total assets		**303,063,444**	303,227,835
Equity	9		
Share capital		**14,385**	14,385
Retained earnings		**39,354**	35,466
Total equity		**53,739**	49,851
Liabilities			
Liabilities evidenced by paper held at amortised cost	10	**302,825,333**	303,000,000
Other liabilities	11	**183,460**	177,072
Tax payable	6	**912**	912
Total liabilities		**303,009,705**	303,177,984
Total equity and liabilities		**303,063,444**	303,227,835

These financial statements of Karta II PLC, company registration number 07715233, on pages 12 to 27 were approved by the Board of directors on 27 June 2022 and are signed on its behalf by:

Ioannis Kyriakopoulos
for and on behalf of Wilmington Trust SP Services (London) Limited
Director

The notes on pages 15 to 27 form part of these financial statements.

KARTA II PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 €	2020 €
Cash flows from operating activities		
Profit before tax	**4,800**	4,800
Adjustments for:		
Interest income	**(7,254,329)**	(3,904,495)
Interest expense	**6,956,608**	3,446,675
Decrease in prepayments and other assets	**-**	2,026
Increase/(decrease) in accruals and deferred income	**8,900**	(83,542)
Cash used in operating activities	**(284,021)**	(534,536)
Income tax paid	**(912)**	(912)
Net cash used in operating activities	**(284,933)**	(535,448)
Cash flows generated from investing activities		
Interest received	**24,502,237**	21,040,227
Deemed loan to the Originator movements	**5,204,418**	26,927,620
Net cash used in from investing activities	**29,706,655**	47,967,847
Cash flows used in financing activities		
Interest paid	**(7,193,120)**	(3,425,002)
Redemption of Notes	**-**	(400,000,000)
Issuance of Notes	**-**	303,000,000
Net cash used in financing activities	**(7,193,120)**	(100,425,002)
Net increase/(decrease) in cash and cash equivalents	**22,228,602**	(52,992,602)
Cash and cash equivalents at start of year	**65,109,196**	118,101,798
Cash and cash equivalents at end of year	**87,337,798**	65,109,196

Notes to the statement of cash flows

Reconciliation of liabilities arising from financing activities

	1 January 2021	**Cashflows**	**Non Cash**		**31 December 2021**
			Note issuance costs	Amortisation of note issuance cost in year	
	€	€	€	€	€
Liabilities evidenced by paper	303,000,000	-	(234,000)	59,333	302,825,333
Total liabilities arising from financing activities	**303,000,000**	**-**	**(234,000)**	**59,333**	**303,825,333**

All withdrawals from the Company's bank accounts are restricted by the detailed priority of payments set out in the securitisation agreements.

The notes on pages 15 to 27 form part of these financial statements.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

General information
Karta II PLC is a public limited company, limited by shares incorporated and domiciled in the United Kingdom with registered number 07715233. The principal activity of the Company is set by the Offering Circular and is that of a special purpose company incorporated for the securitisation of a portfolio of Receivables. The Receivables consist of credit card agreements selected from the total portfolio of agreements entered into by the Transferor with obligors in Greece and originated by Eurobank S.A.

Basis of preparation
The principal accounting policies applied in the preparation of these financial statements are set out below.

The financial statements have been prepared on a going concern basis, as the Board of the Directors considered this to be appropriate. Please also refer to the Going Concern section below.

These financial statements are also prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. These financial statements are also prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the IASB, and in accordance with IAS in conformity with the requirements of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2. The Company mainly transacts in Euros ("€"), therefore, the Euro is its functional and presentational currency.

Going Concern
The annual financial statements have been prepared on a going concern basis, as the Board of the Directors considered this is to be appropriate, taking into consideration the following:

The Company's structure
The Directors of the Company have concluded that the Originator has retained substantially all the risks and rewards of the securitised Receivables Portfolio and, as a consequence, the Company does not recognise the Receivables on its Statement of Financial Position, but rather a Deemed Loan to the Originator.

The deferred purchase consideration (representing the excess of the Company's collections regarding the Receivables over the Company's payments as determined by the Offering Circular), the Class B Notes and the subordinated loan provided by the Originator to the Company, act in combination as credit enhancements to the Company's structure.

The Directors have reviewed data and information relating to the credit quality of the credit card agreements underlying the Deemed loan to the Originator and are satisfied that the level of impairment of the underlying assets does not exceed the amount of the aforementioned credit enhancements. In addition they have confirmed that the Originator, in its capacity as an active servicer of the Company, has opted to proactively repurchase certain Receivables prior to their designation as uncollectible and, furthermore, that receivables removed as per the aforementioned process are periodically replenished using new ones with higher credit quality, further strengthening the Company's financial position. The Originator has confirmed its intention to continue this practice for the remainder of the transaction, up to the full repayment of the Notes.

The Notes amortisation period will start in March 2023 (the 'Bullet Maturity Date') with the 'Final Maturity Date' in September 2025. The Bullet maturity date signifies the end of the securitisation's revolving period. During the revolving period, receivables can be transferred out (receivables prior denouncement) and in (replenishments of loans with higher credit quality) the securitisation scheme. During the amortisation period, collections are used to repay the notes, while no further transfers of receivables in the perimeter (replenishments) are performed. The Loan Notes will fully be repaid and the transaction is due to close on the Final Maturity Date in 2025.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

In addition, the terms and conditions of the Class A Notes state that the Transferor is entitled to an optional early redemption of the Notes, exercisable in full on any interest payment date on or after 25 September 2020 on the occurrence of a Regulatory Event which materially affects the amount of capital which the Originator is required to allocate in respect of the Portfolio or if it becomes unlawful for the Issuer to perform its obligations under the Notes and at any time during the amortisation period following the Bullet Maturity Date.

Macroeconomic environment and Parent Company position

2021 was a year of strong recovery, as the Greek economy reclaimed most of its pandemic inflicted losses. The significant progress of vaccination programs allowed the gradual relaxation of containment measures and the reopening of the economy that led to the strengthening of consumption and the recovery of the tourism sector providing substantial boost to real GDP growth. Based on Hellenic Statistical Authority's (ELSTAT) provisional data, Greek real GDP increased by 8.3% in 2021 (9% decrease in 2020), the seasonally adjusted unemployment rate dropped to 12.8% in December 2021 (December 2020: 16.3%), while the inflation, as measured by the 12-month average Harmonized Index of Consumer Prices (HICP), closed at 0.6% in 2021, compared to -1.3% in 2020. According to ELSTAT, the HICP increased by 6.3% in February 2022 compared to -1.9% in February 2021 mainly reflecting the current rise in energy and fuel costs. The European Commission (EC), in its winter economic forecasts (February 2022), estimates the real GDP growth rate in Greece at 4.9% and 3.5% in 2022 and 2023 respectively. On the fiscal front, according to 2022 State Budget, the general government's primary balance in European System of Accounts (ESA2010) terms in 2021 and 2022 is expected to register deficits of 7.0% and 1.4% of GDP respectively as a result of the implementation of public support measures amounted to € 16.9 billion in 2021, and € 3.3 billion in 2022 aiming to address the economic and social effects of the Covid-19 pandemic. The gross public debt is estimated at 197.1% and 189.6% of GDP in 2021 and 2022 respectively (2020: primary deficit at 7.1% and public debt at 206.3%). These forecasts take into account the public support measures aiming to alleviate the impact of increased energy and fuel costs in 2021 (€0.9 billion), but not the additional and more encompassing measures announced in 2022 (an additional €2.8 billion as of 17 March 2022). However, since a large part of these measures will be covered by funds earmarked especially for this purpose as well as additional government proceeds, their fiscal impact will be significantly smaller than the above amount. The deviation from the Enhanced Surveillance (ES) primary surplus target of 3.5% of GDP in 2021 and 2022 is not considered a violation of Greece's commitments under the ES framework, as in March 2020 EC activated the general escape clause, allowing for non-permanent deviations from the agreed fiscal paths of the member-states due to the extraordinary health and economic distress caused by the pandemic. According to the 2 June 2021 EC press release, the clause shall remain in force in 2022, and is expected to be deactivated in 2023. These forecasts may change as a result of the actual size of the public sector's support measures, the impact of inflationary pressure on economic growth, and the repercussions of the energy price hikes on public finances.

As at 31 December 2021, following the completion of the project "Mexico" (sale of 95% mezzanine and junior "Mexico" securitisation notes) and the subsequent derecognition of the underlying securitized loan portfolio of € 3.1 billion (consisting primarily of NPE), the Group decreased significantly its NPE stock by € 2.9 billion to € 2.8 billion (31 December 2020: € 5.7 billion), driving the NPE ratio at 6.8% (31 December 2020: 14%), while the NPE coverage ratio stood at 69.2% (31 December 2020: 61.8%). The Group's Total Capital Adequacy (total CAD) and Common Equity Tier 1 (CET1) ratios stood at 16.1% (31 December 2020: 16.3%) and 13.7% (31 December 2020: 13.9%) respectively as at 31 December 2021. In addition, the Group completed successfully the 2021 SSM stress test (ST), which was coordinated and conducted by the ECB.

In terms of liquidity, as at 31 December 2021, the Group deposits have increased by € 5.9 billion to € 53.2 billion (31 December 2020: € 47.3 billion), leading the Group's (net) loans to deposits (L/D) ratio to 73.2% (31 December 2020: 79.1%), while the funding from the targeted long term refinancing operations of the European Central Bank – TLTRO III programme reached € 11.7 billion (31 December 2020: € 8 billion). During the year, in the context of its medium-term strategy to meet its MREL target, the Bank proceeded with two issues of preferred senior debt with a nominal value of € 500 million each, in April and September respectively. The rise in high quality liquid assets of the Group led the respective Liquidity Coverage ratio (LCR) to 152% (31 December 2020: 124%). In the context of the 2021 ILAAP (Internal Liquidity Adequacy Assessment Process),

1. PRINCIPAL ACCOUNTING POLICIES (continued)

the liquidity stress tests results indicate that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios both in the short term (1 month horizon) and in the medium term (1 year horizon).

Going concern assessment
Considering the above, the Board of Directors have made an assessment of the Company's ability to cover its liabilities for at least 12 months from the date of approval of these financial statements and up to the Final Maturity Date, having taken into consideration the factors relating to (a) the Company's financial position, (b) the Originator's financial position and its financial support of the entity to continuing its operations and (c) the performance of the underlying Receivables, and are satisfied that the financial statements of the Company can be prepared on a going concern basis.

Financial assets
Financial assets are measured on initial recognition at fair value. Under IFRS 9, the classification and subsequent measurement of financial assets is principally determined by the entity's business model and their contractual cash flow characteristics (whether the cash flows represent 'solely payments of principal and interest').

The Company has assessed its business models in order to determine the appropriate IFRS 9 classification for its financial assets. Financial assets are held to collect contractual cash flows and therefore meet the criteria to remain at amortised cost. In order to be accounted for at amortised cost, it is necessary for individual instruments to have contractual cash flows that are solely payments of principal and interest. These financial assets meet this criteria and are therefore subsequently measured at amortised cost.

Financial assets and liabilities measured at amortised cost are accounted for under the effective interest rate ('EIR') method. This method of calculating the amortised cost of a financial asset or liability involves allocating interest income or expense over the relevant period. The EIR rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Deemed Loan to the Originator
Under IFRS 9 Financial instruments, if a transferor retains substantially all the risks and rewards associated with the transferred assets, the transaction is accounted for as a financing transaction, notwithstanding that it is sale transaction from a legal perspective. The directors of the Company have concluded that the Originator has retained substantially all the risks and rewards of the securitised Receivables Portfolio as the Originator has a continuing practice of repurchasing receivables prior to their designation as uncollectible and, furthermore, has provided appropriate credit mechanisms (Class B Notes, subordinated loan and deferred purchase price) to the Company. As a consequence, the Company does not recognise the Receivables on its Statement of Financial Position, but rather a Deemed Loan to the Originator.

The Deemed Loan to the Originator initially represented the consideration paid by the Company in respect of the acquisition of an interest in the securitised Receivables Portfolio and is subsequently adjusted due to repayments made by the Originator to the Company, as well as with replenishments with new receivables. The Deemed Loan is carried at amortised cost using the effective interest method. Since the component of gross Deemed loan includes deferred consideration, Class B notes & subordinated loan which forms part of credit enhancement provided to the external noteholders, the Company has opted to present only the element of Deemed loan acquired by means of cash paid to the Originator. This involves not recognising deferred consideration, Class B notes and subordinated loan as a liability but reducing the Deemed loan to the Originator. The Class B Notes shall only be repaid once the Class A Note principal is fully repaid, according to the relevant priority of payments schedule.

In addition to the Class B Notes, subordinated loan and deferred consideration payable to the Originator, representing the excess of the Company's collections regarding the Receivables over the Company's payments as determined by the Offering Circular, is presented under deemed loan since they have the same counterparty, they were entered into at the same time and in contemplation of one another, they relate to the same risk and there is no apparent economic need or substantive business purpose for structuring the transactions separately that could not also have been accomplished in a single transaction.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Deemed Loan to the Originator (continued)

In the Statement of Comprehensive Income the deferred consideration charge is netted off against interest income as it represents income that the Company is not entitled to retain.

The Company regularly reviews the underlying collateral in relation to the Deemed Loan to the Originator as part of its assessment for impairment. The methodology applied is further discussed below.

Impairment losses on Deemed Loan to the Originator
The Company's Deemed Loan to the Originator as defined above, was subject to IFRS 9's expected credit loss model.

The Company recognises expected credit loss impairment on the Deemed Loan to the Originator at amortised cost when it is estimated that it will not be in a position to receive all payments due. The amount of the expected credit losses ("ECL") allowance for impairment at amortised cost is the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that the entity expects to receive discounted at the original effective interest rate of the deemed loan.

At each reporting date, an impairment loss equal to 12-month expected credit losses (allocated to stage 1) is recognised for all financial assets for which there is no significant increase in credit risk since initial recognition. For financial assets for which there is a significant increase in credit risk since their initial recognition (allocated to stage 2), and that are credit impaired (allocated to stage 3) an impairment loss equal to lifetime expected credit losses will be recognised.

The Deemed Loan to the Originator is considered impaired when it is probable that the Company will be unable to collect all amounts due according to the relevant contractual terms.

An assessment of whether credit risk has increased significantly since the initial recognition of the Deemed Loan to the Originator is performed at each reporting period by considering primarily the change in the risk of default occurring over the remaining life of the Deemed Loan to the Originator. The Company assess whether a significant increase in credit risk ("SICR") has occurred since the initial recognition based on qualitative and quantitative, reasonable and supportable forward-looking information that includes a degree of management judgment.

The default of the Deemed Loan is 90 days in arrears or any qualitative factors that the Originator is unlikely to pay. For the Company, the directors will review the availability of credit enhancement and assess whether the deemed loan is in default (90 days in arrears) or any qualitative factors that the Originator is unlikely to pay.

The ECL calculation on the Deemed Loan to the Originator takes into account the repurchases of receivables by the Originator, the Class B Notes, the subordinated loan and deferred consideration.

The impairment of the underlying portfolio of receivables is also considered. The Originator's key assumptions for the recoverability of the underlying receivables portfolio relate to the estimates of the probability of any account going into default, cash flows from borrowers' accounts, their timing and expected proceeds from the sale of repossessed collateral. These Originator's key assumptions are based on observed data from historical patterns and are updated regularly as new data becomes available. The ECL of the underlying credit cards portfolio has been calculated by the Originator, under the requirements of IFRS9, at €40.5m (unaudited) as of 31 December 2021 (€65.7m (unaudited) as of 31 December 2020) and is significantly lower than the respective level of available credit enhancements. The accuracy of impairment calculations would be affected by the probability of default, significant increase in credit risk, loss given default and the macroeconomic factors. The macroeconomic factors that are incorporated into the risk parameter models are used to calculate the ECL of the underlying portfolio of receivables which is assessed against the credit enhancements. As a result of these available credit enhancements, the macroeconomic conditions do not currently have any material effect on the Deemed Loan to the Originator.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Liabilities evidenced by paper held at amortised cost

In accordance with IFRS 9 financial liabilities are derecognised when the Company obligation is discharged, cancelled or expires. A financial liability (or part of it) is extinguished when the Company either:

- discharges the liability (or part of it) by paying the creditor; or
- is legally released from primary responsibility for the liability either by process of law or the creditor.

The Company considers that it has been fully discharged from its obligations to the original Loan Notes upon the cancellation and redemption in full and de-recognised accordingly.

Liabilities evidenced by paper comprise the Notes issued by the Company through the Master Amendment, Restatement, Termination and Netting Deed 23 September 2020.

The terms and conditions of the Class A Notes state that the Transferor is entitled to an optional early redemption of the Notes, exercisable in full on any interest payment date on or after 25 September 2020 on the occurrence of a Regulatory Event which materially affects the amount of capital which the Originator is required to allocate in respect of the Portfolio or if it becomes unlawful for the Issuer to perform its obligations under the Notes and at any time during the amortisation period following the Bullet Maturity Date. The directors of the Company have concluded that the economic characteristics and risks of this prepayment option are closely related to the economic characteristics and risks of the Notes. As such, the option is not separately accounted for as an embedded derivative.

Cash and cash equivalents
Cash and cash equivalents comprise balances with less than 3 months maturity from the date of acquisition. All withdrawals from the Company's bank accounts are restricted by the detailed priority of payments set out in the Offering Circular.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Dividend distribution on shares is recognised as a deduction in the Company's equity when approved by the General Meeting of the Company's shareholders. Interim dividends are recognised as a deduction in the Company's equity when approved by the Directors.

Interest income and interest expense
Interest income and expense for all interest-bearing financial instruments are recognised on accruals basis within 'interest income' and 'interest expense' in the statement of comprehensive income using the effective interest rate method.

Foreign currencies
Monetary assets and liabilities in foreign currencies are translated into Euros at the rates of exchange ruling at the reporting date. Foreign currency transactions are translated into the functional currency using 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 at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Effective interest rates
The effective interest rate method calculates the amortised cost of a financial asset or financial liability (or a group of financial assets or liabilities) and allocates the interest income or interest expense over the expected life of the asset or liability. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. Calculation of the effective interest rate takes into account early redemption fees and transaction costs. All contractual terms of a financial instrument are considered when estimating future cash flows.

In order to determine the effective interest rate applicable to loans an estimate must be made of the expected life of the loans and hence the cash flows relating to them. These estimates are based on historical data from historical patterns and are updated regularly.

Taxation
Current tax is recognised at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the year end date. The Company is taxed under The Taxation of Securitisation Companies Regulations 2006 (the "Permanent Tax Regime") under which the Company is taxed by reference to its retained profit as defined by the "Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296)".

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The most important area where the directors use judgement in applying its accounting policies is in relation to ECL. The directors have assessed the ECL to be zero. This conclusion has been reached as:

1) The Originator, in its capacity as an active servicer of the Company, has opted to proactively repurchase any Receivables prior to their designation as uncollectible repurchases however it is not required to so in accordance with the offering circular. As a result it has not incurred a loss since inception. The magnitude of the aforementioned repurchases has been historically low compared to the underlying loan portfolio as a whole, as well as compared to the credit protection mechanisms in place (€7.3m for 2021, €1.1m post balance sheet date and up to 30 March 2022).

2) Credit enhancement provided through the Class B Notes (€66.6m) and reserve fund account (2021: €6m, 2020: €23.3m) funded through a loan from the Originator; and

3) The income from the Receivables is expected to exceed the interest payable on the Notes issued by the Company. This excess spread is available to make good any reductions in the principal balance of the Receivables as a result of defaults by borrowers. The deferred purchase consideration as of 31.12.2021 amounted to €102.9m (2020: €55.8m).

Therefore, total credit enhancement (ignoring future excess spread) is €175.5m (2020: €145.7m). If the Originator was to have ceased repurchases of receivables, this credit enhancement would absorb 24 times (2020: 19) the "losses" implied by the level of repurchases in 2021.

For the Deemed Loan to the Originator, the estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. INTEREST INCOME

Interest income represents the net interest income on the Deemed Loan to the Originator. It comprises interest income received and charges on the underlying receivables offset by deferred consideration expense due to the Originator and interest payable on the Class B Notes and subordinated loan to the Originator.

	2021	2020
	€	€
Net interest income on Deemed Loan to the Originator	**7,254,329**	3,904,495

4. INTEREST EXPENSE

	2021	2020
	€	€
Interest on Notes	**6,956,608**	3,446,675

5. ADMINISTRATIVE EXPENSES

Profit before tax is stated after charging/(crediting):	2021	2020
	€	€
Auditors' remuneration – audit of the statutory financial statements of the Company	**80,000**	78,280
Irrecoverable VAT on statutory audit fees	**16,000**	15,656
Auditors' remuneration – amounts relating to prior year	**6,302**	18,477
Irrecoverable VAT on statutory audit fee relating to prior year	**1,261**	3,695
Tax and other compliance services of the Company	**8,977**	8,064
Accountancy fees	**5,363**	5,363
Servicing fees	**113,127**	182,302
Other expenses	**62,725**	140,384
Exchange losses/ (gains) recognised	**(834)**	799
	292,921	453,020

Apart from the directors, the Company has no employees (2020: no employees) and, other than the fees paid to Wilmington Trust SP Services (London) Limited as set out in note 13, the directors received no remuneration during the year (2020: €nil). Non-audit services were not provided by the Company's appointed auditors during the year. Fees payable for tax services for the year are €8,977 (2020: €8,064). The tax services are not provided by the statutory auditor. Other expenses is comprised of corporate services fees, trustee fees, legal fees in relation to the refinancing and Stock Exchange listing fees.

6. INCOME TAX CHARGE

(a) Analysis of tax charge in the year

	2021	2020
Current tax:	€	€
Corporation tax charge for the year	**912**	912
Total income tax charge in the statement of comprehensive income	**912**	912

(b) Reconciliation of effective tax rate

The tax assessed on the profit on ordinary activities for the period is equal to the standard rate of corporation tax in the UK of 19% (2020: 19%):

	2021	2020
	€	€
Profit before tax	**4,800**	4,800
Profit before tax multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	**912**	912
Total income tax charge	**912**	912

6. INCOME TAX CHARGE (continued)

Under the powers conferred by Finance Act 2005, secondary legislation was enacted in 2006 which ensures that, subject to certain conditions being met, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the profit of the Securitisation company required to be retained in accordance with the relevant capital market arrangement. For UK corporation tax purposes, the Company has been considered as a Securitisation Company under the "Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296)". Therefore, the Company is not required to pay corporation tax on its accounting profit or loss. Instead, the Company is required to pay tax on its retained profits as specified in the documentation governing the Transaction and as defined by the "Taxation of Securitisation Companies Regulations 2006 (SI 2006/3296)".

The directors are satisfied that the Company meets the definition of a 'Securitisation Company' as defined by both The Finance Act 2005 and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise.

7. DEEMED LOAN TO THE ORIGINATOR

	2021	2020
	€	€
Gross Deemed Loan to the Originator	**391,554,813**	384,058,177
Class B Notes	**(66,600,000)**	(66,600,000)
Subordinated Loan	**(6,060,000)**	(23,294,660)
Amounts payable to Bank of Greece under Law 128/75	**(195,382)**	(193,718)
Deferred purchase consideration	**(102,973,785)**	(55,851,160)
Net Deemed Loan to the Originator	**215,725,646**	238,118,639

Under Law 128/75 of the Hellenic Republic, consumer loans bear a 0.60% p.a. levy charge. The levy charge is payable to the Bank of Greece.

The Deemed Loan to the Originator is classified as a stage 1 asset given that the credit risk has not increased significantly from initial recognition. The Directors have reviewed data and information relating to the credit quality of the credit card agreements underlying the Deemed loan to the Originator and are satisfied that the level of impairment of the underlying assets does not exceed the amount of the credit enhancements, namely the Class B Notes, the subordinated loan and the deferred purchase consideration. In addition they have confirmed that the Originator, in its capacity as an active servicer of the Company, has opted to proactively repurchase certain Receivables prior to their designation as uncollectible and, furthermore, that receivables removed as per the aforementioned process are periodically replenished using new ones with higher credit quality, further strengthening the Company's financial position. Having considered the above, it has been concluded that an ECL provision is not required for the portfolio of receivables and as such the Deemed Loan to the Originator is not considered to be impaired at 31 December 2021.

Ageing analysis of the underlying Portfolio of Receivables is disclosed below:

	2021	2020
	€	€
Current	**342,573,593**	333,186,609
Past due 1 – 29 days	**14,766,276**	14,625,937
Past due 30 – 59 days	**5,071,908**	4,615,130
Past due 60 – 89 days	**2,642,091**	2,265,208
Past due 90 – 179 days	**3,394,407**	3,966,563
Past due 180 – 359 days	**3,716,980**	7,973,073
Past due > 360 days	**19,389,558**	17,425,657
Total	**391,554,813**	384,058,177

8. CASH AND CASH EQUIVALENTS

All withdrawals from the Company's bank accounts are restricted by the detailed priority of payments set out in the securitisation agreements.

	2021	2020
	€	€
Cash and bank current accounts	**81,262,914**	59,035,216
Bank deposit accounts	**6,074,884**	6,073,980
	87,337,798	65,109,196

All cash is held with the Originator.

9. SHARE CAPITAL

Issued, called up and allotted:	**2021**	2020
	€	€
(2020: 2) fully paid ordinary shares at £1 each	**2**	2
(2020: 49,998) partly paid ordinary shares at £1 each	**14,383**	14,383
	14,385	14,385

There are 50,000 authorised ordinary shares of £1 each. The issued share capital consists of 2 fully paid ordinary shares and 49,998 quarter paid ordinary shares. The issued share capital is reflected in the financial statements as €14,385 based on the prevailing exchange rate at 5 August 2011 (€/£ 0.869) on the date the Company changed its functional and presentational currency from sterling to Euros. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

10. LIABILITIES EVIDENCED BY PAPER HELD AT AMORTISED COST

	2021	2020
Non-current liabilities	**€**	€
Class A floating rate notes	303,000,000	303,000,000
Class B floating rate notes	66,600,000	66,600,000
	369,600,000	369,600,000
Less: Class B notes held by the Originator	(66,600,000)	(66,600,000)
Unamortised issuance costs	(174,667)	-
	302,825,333	303,000,000

On the 23 September 2020 the Company issued €303,000,000 Class A notes and €66,600,000 Class B Notes listed on the Vienna Stock Exchange. The proceeds of these Notes, in addition to cash held at bank, was used to repay in full the existing €400,000,000 Class A Notes listed on the Irish Stock Exchange. The Class B Notes are retained by the Originator and therefore form part of the credit enhancement within the structure and are included within the Deemed Loan to the Originator. The Notes are secured over a portfolio of credit card agreements originated in Greece.

The exposure of the Company's borrowings to interest rate changes and contractual re-pricing dates at the reporting date are as follows:

	2021	2020
	€	€
3 months or less	**302,825,333**	400,000,000

Interest on the Class A and Class B Notes is payable on a monthly basis at the three month EURIBOR plus 2.30% and 2.80% respectively.

10. LIABILITIES EVIDENCED BY PAPER HELD AT AMORTISED COST (continued)

The Notes amortisation period will start in March 2023 (the 'Bullet Maturity Date') with the 'Final Maturity Date' in September 2025. The Bullet maturity date signifies the end of the securitisation's revolving period. During the revolving period, receivables can be transferred out (receivables prior denouncement) and in (replenishments of loans with higher credit quality) the securitisation scheme. During the amortisation period, collections are used to repay the notes, while no further transfers of receivables in the perimeter (replenishments) are performed. The Loan Notes will fully be repaid and the transaction is due to close on the Final Maturity Date in 2025.

The Company has not had any defaults on principal, interest or any other breaches with respect to their liabilities during the year.

11. OTHER LIABILITIES

	2021	2020
	€	€
Interest payable	**56,219**	58,731
Accruals and deferred income	**127,241**	118,341
	183,460	177,072

12. RELATED PARTY TRANSACTIONS

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 "Related Party Disclosures".

During the year, administration and accounting services were provided by Wilmington Trust SP Services (London) Limited for which Wilmington Trust SP Services (London) Limited earned €19,551 (2020: €22,975) including irrecoverable value added tax. D J Wynne, a director of the Company, is also a director of Wilmington Trust SP Services (London) Limited.

During the year, there were net movements of €7,496,636 to Eurobank S.A. from the Company in respect of the principal on the Deemed Loan (2020: (€28,485,516)). The interest income earned on the underlying Receivables for the year was €56,074,484 (2020: €59,016,293).

Eurobank S.A. administers the Receivables on behalf of the Company and earned €113,127 (2020: €182,302) during the year.

Eurobank S.A. earned €46,333,140 (2020: €52,361,970) with respect to deferred consideration during the year and was owed €102,973,785 (2020: €55,851,160) at the end of the year, which is included within the Deemed Loan to the Originator at amortised cost above.

Eurobank S.A. hold the entire amount of Class B notes outstanding, €66,600,000, as at 31 December 2021 (2020 €66,600,000).

13. FINANCIAL RISK MANAGEMENT

The Originator considers the Company to be its subsidiary. The Originator manages the Receivables under the servicer agreement with the Company according to the Offering Circular. In managing the Receivables, the Originator applies its own formal risk management structure for managing risk, including established risk limits, reporting lines, mandates and other control procedures. This structure is reviewed regularly by the Originator's Assets and Liabilities Committee (ALCO), which is charged with the responsibility for managing and controlling the statement of financial position exposures of the Originator.

Interest rate risk
After taking into consideration the administered interest rate nature of the Company's Deemed Loan to the Originator, the regular re-pricing of the Company's floating rate notes, together with the nature of the Company's other assets and liabilities, the directors do not believe that the Company has any significant interest rate re-pricing exposure.

13. FINANCIAL RISK MANAGEMENT (continued)

Credit risk
The maximum exposure to credit risk is considered by the directors to be the carrying value of the Deemed Loan to the Originator (see note 7) and bank deposits. The Receivables consist of credit card agreements selected from the total portfolio of agreements entered into by the Transferor with obligors in Greece and originated by Eurobank S.A.

Liquidity risk
The Company's policy is to manage liquidity risk through its excess spread, a reserve fund and an over-collateralisation of Receivables underlying the loan to the Originator. As the length of the Notes is designed to match the length of the Receivables underlying the loan to the Originator, there are deemed to be limited liquidity risks facing the Company.

The following table has been drawn up based on the expected undiscounted contractual cash flows on financial liabilities at 31 December 2021. Actual cash flows will vary from these estimates due to the inherent uncertainties in predicting future cash flows and interest rates. The interest payable on the loan notes is estimated based on the outstanding principal and 3 month EURIBOR as at the balance sheet date and calculated up to the final maturity date.

At 31 December 2021	**Carrying Amount**	**Gross nominal outflow**	**Less than 1 month**	**1 to 3 months**	**3 to 12 months**	**More than 1 year**
Liabilities	**€**	**€**	**€**	**€**	**€**	**€**
Liabilities evidenced by paper	**302,825,333**	**303,000,000**	**-**	**-**	**-**	**303,000,000**
Interest payable	**56,219**	**19,633,804**	**446,223**	**849,263**	**3,958,428**	**14,379,890**
Accruals	**127,241**	**127,241**	**-**	**127,241**	**-**	**-**
Total liabilities	**303,008,793**	**322,761,045**	**446,223**	**976,504**	**3,958,428**	**317,379,890**

At 31 December 2020	Carrying Amount	Gross nominal outflow	Less than 1 month	1 to 3 months	3 to 12 months	More than 1 year
Liabilities	€	€	€	€	€	€
Liabilities evidenced by paper	303,000,000	303,000,000	-	-	-	303,000,000
Interest payable	58,731	25,636,992	459,657	874,831	4,077,601	20,224,903
Accruals	118,341	118,341	-	118,341	-	-
Total liabilities	303,177,072	328,755,333	459,657	993,172	4,077,601	323,224,903

Currency risk
All of the Company's assets and liabilities are denominated in Euros ("€"), and therefore currently there is no foreign currency risk.

Capital management
The Company considers its capital to comprise its ordinary share capital and its accumulated retained earnings. There have been no changes in what the Company considers to be its capital since the previous year. The Company is not subject to any external capital requirements, except for the minimum requirement under the Companies Act 2006. The Company has not breached this minimum requirement.

Financial instruments
The Company's financial instruments comprise of a Deemed Loan to the Originator, cash and cash equivalents, interest-bearing borrowings and various receivables and payables that arise directly from its operations.

It is, and has been throughout the year under review, the Company's policy that no trading in financial instruments is undertaken.

13. FINANCIAL RISK MANAGEMENT (continued)

Fair values
The fair values together with the carrying amounts shown in the statement of financial position are as follows:

	Note	**Carrying amount 2021 €**	**Approximate fair value 2021 €**	Carrying amount 2020 €	Approximate fair value 2020 €
Deemed Loan to the originator	7	**215,725,646**	**209,173,766**	238,118,639	232,607,931
Cash and cash equivalents	8	**87,337,798**	**87,337,798**	65,109,196	65,109,196
		303,063,444	**296,511,564**	303,227,835	297,717,127
Liabilities evidenced by paper	10	**302,825,333**	**296,511,564**	303,000,000	297,717,127
Other liabilities	11	**183,460**	**183,460**	177,072	177,072
Tax payable	6	**912**	**912**	912	912
		303,009,705	**296,695,936**	303,177,984	297,895,111

Deemed loan to originator
The fair value of the Notes has been estimated based on valuation models, calibrated to ensure that outputs reflect actual data and comparative market prices. The fair value of the Deemed loan to the Originator has been determined based on the estimated fair value of the Notes and cash.

Liabilities evidenced as paper
The fair value of the Loan Notes is calculated using the relevant Bloomberg Swap curve, plus the appropriate CDS spread for discounting the note’s projected cash flows.

Fair value hierarchy
Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset or liability as follows:

Level 1 - valued using quoted prices in active markets for identical assets or liabilities

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data. The valuation techniques used by the Company are explained in the accounting policies note.

The Company has no financial instruments included in its balance sheet that are measured at fair value. The fair value the Loans and Notes are categorised as level 3.

Fair Value of Financial Instruments held at Amortised Cost

As at 31 December 2021	**Total**	**Level 1**	**Level 2**	**Level 3**
Financial assets	**€**	**€**	**€**	**€**
Deemed Loan to the Originator	**209,173,766**	**-**	**-**	**209,173,766**
Cash and cash equivalents	**87,337,798**	**87,337,798**	**-**	**-**
Financial liabilities				
Liabilities evidenced by paper	**296,511,564**	**-**	**-**	**296,511,564**
Other liabilities	**183,460**	**183,460**	**-**	**-**

13. FINANCIAL RISK MANAGEMENT (continued)

As at 31 December 2020 Financial assets	Total €	Level 1 €	Level 2 €	Level 3 €
Deemed Loan to the Originator	232,607,931	-	-	232,607,931
Cash and cash equivalents	65,109,196	65,109,196	-	-
	297,717,127	65,109,196	-	232,607,931
Financial liabilities				
Liabilities evidenced by paper	297,717,127	-	-	297,717,127
Other liabilities	177,072	177,072	-	-
	297,894,199	177,072	-	297,717,127

14. SEGMENTAL REPORTING

Having considered the Company's activities the directors have not identified any reportable segments.

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The shares in the Company are held by Wilmington Trust SP Services (London) Limited under Declarations of Trust for charitable purposes. Eurobank S.A. has no direct ownership interest in the Company. However, in accordance with IFRS, and particularly IFRS 10, the Originator considers itself to be the controlling party of the Company and the results of the Company are included in the consolidated financial statements of Eurobank S.A., which are available online at www.eurobank.gr.

As of November 2015, the percentage of the Eurobank S.A. (the Bank) ordinary shares with voting rights held by the Hellenic Financial Stability Fund (HFSF) stands at 2.38%. In May 2019, following the increase of the share capital of the Bank in the context of the merger with absorption of Grivalia Properties REIC, the percentage of the Bank's ordinary shares with voting rights held by the HFSF decreased from 2.38% to 1.40%. The HFSF is considered to have significant influence over the Bank pursuant to the provisions of the Law 3864/2010, as in force, and the Relationship Framework Agreement (RFA) the Bank has entered into with the HFSF.

In the context of the above Law, HFSF exercises its voting rights in the Bank's General Meetings only for decisions concerning the amendment of the Bank's Articles of Association, including the increase or decrease of the Bank's capital or the granting of a corresponding authorization to the Bank's Board, decisions concerning the mergers, divisions, conversions, revivals, extension of duration or dissolution of the Bank, the transfer of assets (including the sale of subsidiaries), or any other issue requiring approval by an increased majority as provided for in Greek Company Law 4548/2019.

The financial statements of Eurobank S.A. are available from its head office: 8 Othonos Street, 105 57, Athens, Greece, and from its website at www.eurobank.gr.

16. OTHER SIGNIFICANT AND POST BALANCE SHEET EVENTS

There were no other significant post balance sheet events to report.