ALPHA GROUP JERSEY LIMITED

INTERIM
MANAGEMENT REPORT
AND UNAUDITED
CONDENSED INTERIM
FINANCIAL STATEMENTS

30 June 2020

Table of Contents

Company Particulars

Board of Directors

Lindsay Mackay (resigned on 31 March 2020)
Monika Ahmed
Nigel Day (resigned on 31 March 2020)
Stephen Langan
Cheryl Heslop

Company Secretary

Intertrust SPV Services Limited

Registered Office

44 Esplanade
St Helier
Jersey
JE4 9WG

Registered number

84392 Jersey

Date of incorporation

21 November 2002

Interim Management Report

The Directors of Alpha Group Jersey Limited (the “Company”) present their interim management report and unaudited condensed interim financial statements (the “Interim Report”) of the Company for the six months to 30 June 2020 (“the period”).

Principal activities

The principal activity of the Company is the provision of financing to Alpha Bank A.E. (the "Parent") and its consolidated subsidiaries (together the “Group”). All debt instruments issued by the Company are guaranteed by the Parent.

Results and dividends

The Company has prepared its Interim Report in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

The Unaudited Condensed Statement of Comprehensive Income for the period is set out on page 6. The estimated loss at 31 December 2020 is € 183k (31 December 2019: € 324k).

The Board of Directors ("the Board") decided not to declare a dividend on the preferred securities payable in February 2020, which the Company was entitled to do under the terms of the issue. At the same time, the Parent notified the Company that it decided in its sole discretion to cancel interest payments due on the Subordinated Loan.

The Board have not recommended the payment of an interim dividend to ordinary shareholders in respect of the period ended 30 June 2020 (30 June 2019: nil).

The Directors have considered the impact of COVID-19 on the Parent entity's ability to pay loan interest and therefore on dividend payments. The current valuation of the preferred securities assumes no dividends will be paid for three years due to COVID-19.

Economic position

The Company’s business strategy and activities are linked to those of its Parent with the Company having a single loan receivable from its Parent and a single issue of Series B Preferred Securities of which a nominal balance of €15,542,000 remains outstanding. The Company, in order for it to pay interest on its debt instruments is dependent on the Parent to pay interest on loans made to it on the due dates. The terms of the loan to the Parent are such that the borrower has the discretion to pay interest due.

Without the receipt of interest on the loan the Company presently has no income and hence the loss of €98,660 reported in these financial statements (30 June 2019: €83,470) which relates to the running costs of the Company, predominantly consisting of professional fees.

Economic circumstances in the first half of 2020 have been challenging, mainly as a result of the COVID-19 pandemic. Activity in the UK has fallen since the start of the year. This situation is unprecedented. The Parent and the Group monitor the current situation regarding the rapid transmission of COVID-19 and assesses the impact on the asset quality and the implementation of the Parent’s Business Plan. Due to the fact that the Company has sufficient liquid resources to sustain its operations for 12 months from the date of approval of these interim financial statements without relying on Parent’s support, the Directors are of the opinion that the conditions for the going concern principle continue to apply to the Company and accordingly the financial statements have been prepared on a going concern basis. There has been no immediate impact on the Company as a result of COVID-19.

Expected developments

The Parent Company is located in Greece and as such, a negative development of the Greek economy may have a negative impact on the Company. The outbreak of COVID-19 poses significant challenges to the growth rate of the Greek economy, which is expected to slow down considerably, with effects expected within 2020, mainly stemming from an external demand shock, domestic uncertainty as well as a supply-side shock, due to the lockdowns in several sectors of the economy. Notably, to mitigate the potential economic impact of the COVID-19 there has been an unprecedented, coordinated monetary, fiscal and regulatory support to the Greek economy and the Banking system by both European authorities and the Greek Government. COVID-19 has not affected the expected plans of the Company.

Interim Management Report (continued)

Brexit

In January 2020, the United Kingdom (the "UK") left the European Union (the "EU"). Although a withdrawal agreement was put into place on 31 January 2020, this will come with a transition period where majority of EU legislation will continue to apply to the UK and negotiations between the UK and EU will continue. Management has considered the

impact of such an event on the Company and does not believe it would be material. The Company is incorporated outside the UK and EU jurisdictions and does not have any trading activities in the UK, nor is it directly or indirectly connected to any UK entity. The Preferred Securities it holds are listed on an EU stock exchange, and the loan is with the Parent

Company incorporated in the EU and therefore management does not expect the performance of the Company to be impacted by the events in the UK.

Internal control systems and risk management system relevant for the financial reporting process

The Company having so few transactions, and there being very little activity, employs no staff. The Directors oversee all transactions and prepare the financial statements ensuring accounting policies are followed, taking guidance from specialists employed by the Parent and other professional advisors. The monthly financial reporting is submitted to the Parent. The valuation of the securities is performed by a specialist risk team of the Parent. The Company engages in internal control processes key to financial reporting, such as segregation of duties, and a four-eyed principal for reviews.

Risk reporting relating to the use of financial instruments

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Company was set up to raise finance for the Alpha Bank Group (of which Alpha Bank A.E. is the Parent). This was achieved by the issue of Preferred and Perpetual Securities listed on the Euronext Amsterdam and Frankfurt Stock Exchanges, the proceeds of which are advanced to the Parent.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk is €7,274,390 (31at December 2019: €5,795,843). This increase is due to the increase in the value of the preferred securities following the half year revaluation. All credit risk exposure is to the Parent, which is rated Caa1 (2019: Caa1) by Moody's. Credit risk can be monitored by assessing the financial results of the Parent. The results for the second quarter of 2020 showed an increase in pre-provision income, total CAD ratio and liquidity from the previous quarter.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Due to the nature of the Company's operations, the Board considers the net liquidity risk faced by the Company as minimal. The most significant cash outflow consists of the payment of interest expense on the Preferred Securities which are limited in recourse to the Company's loans and receivables. The Company has sufficient liquidity to cover expenses for at least the next twelve months.

The terms and conditions of the Preferred Securities are similar to those of the Loans and Receivables held, however the loan has a repayment date of 30 December 2045 whilst the Preferred Securities are perpetual.

There should be no liquidity mismatch as the interest cash outflows fall due on the same dates as the interest cash inflows from the loans and receivables and payment of cash outflows to the preferred securities are dependent on receipt of cash inflows on the Company's loans and receivables. The Board considers its available cash resources and parental support as enough to meet other cash outflows which mainly consist of administrative expenditure. The Parent company will provide support in the event that the Company's cash resources are not sufficient to meet the ongoing administrative expenditure, in the form of an increase in share capital or any other appropriate form at the time.

Interim Management Report (continued)

Market risk

Market risk is the risk that changes in market prices, due to foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Due to the structure of the Company's assets and liabilities, particularly the similar terms and conditions of the principal financial assets and liabilities, the Company's net exposure to market risk is also considered to be minimal.

Currency risk

Currency risk is where a movement in exchange rates will result in changes to the Company's profit or loss. With the exception of certain administrative expenses which are denominated in GBP, all other transactions are undertaken in Euro. Hence in the opinion of the Directors there is no significant currency risk.

Risk reporting relating to the use of financial instruments (continued)

Interest rate risk

Interest rate risk is where a movement in interest rates will result in changes to the Company's profit or loss. Interest obligations on the financial liabilities are on a floating rate basis plus a fixed margin whilst the amount receivable from the corresponding financial assets yield a floating rate with a slightly higher fixed margin. Therefore, in the opinion of the Directors, the Company is not exposed to any significant net interest rate risk.

At 30 June 2020, if Euro market interest rates had been 100 basis points higher/ lower with all other variables held constant, the profit for the year would be no lower or higher, mainly as a result of higher/ lower interest expense on Euro denominated floating rate borrowings compensated by higher/ lower interest income on the floating rate loan.

Capital management

All ordinary shares are held by the Parent and the Company does not have any share option schemes or holds its own shares. There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements. The nominal value of the outstanding preferred securities was €15,542,000 (2019: € 15,542,000).

Directors

The directors who served throughout the period are as follows:

Lindsay Mackay (resigned on 31 March 2020)
Monika Ahmed
Nigel Day (resigned on 31 March 2020)
Stephen Langan
Cheryl Heslop

Directors' interests

The directors who held office at 30 June 2020 had no interest in the shares of the Company.

Related party transactions

See note 5 of the unaudited condensed financial statements.

For and on behalf of the Board

Director:

Date:

Responsibility Statement in respect of the condensed interim financial statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

To the best of the Directors knowledge, and in accordance with the applicable reporting principles, the condensed interim financial statements give a true and fair view of net assets, financial position and results of operations of the Company, and the interim Management Report gives a true and fair view of the development including the business performance and the position of the Company, together with the description of the principal opportunities and risks associated with the expected development of the Company.

The Companies (Jersey) Law 1991 ("Law") requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union.

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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to enable them to ensure that the financial statements comply with the Law. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

With regard to Regulation 2004/109/EC of the European Union ("EU Transparency Directive"), the Directors of the Company whose names appear on page 1 confirm to the best of their knowledge that the condensed interim financial statements for the period ended 30 June 2020 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by IFRS. The interim Management Report gives a true and fair review of the development of the Company's business, financial position and the important events, if any, that have occurred for the six months ended 30 June 2020 and their on the condensed interim financial statements.

For and on behalf of the Board of Directors of the Company

Director:

Date:

Condensed Statement of Comprehensive Income (Unaudited)

For the six months ended 30 June 2020

	Six months ended 30.06.20 € (unaudited)	Six months ended 30.06.19 € (unaudited)
Fair value gains from valuation of loans and receivables measured at FVTPL	**1,622,584**	35,747
Fair value (losses) from valuation of preferred securities	**(1,622,584)**	(35,747)
(Loss) on foreign currency transactions	**(5,402)**	(49)
Legal and professional fees	**(93,258)**	(83,421)
Loss for the period	**(98,660)**	(83,470)
Other comprehensive income	**-**	-
Total comprehensive loss for the period	**(98,660)**	(83,470)

The notes on pages 10 to 13 form part of these unaudited condensed interim financial statements.

Condensed Statement of Financial Position (Unaudited)

As at 30 June 2020

	30.06.20	31.12.19
	€	€
Assets	(unaudited)	(audited)
Non-current Assets		
Loans and receivables measured at FVTPL	**6,833,817**	5,211,233
Current Assets		
Prepaid expenses	**17,582**	-
Cash and cash equivalents	**440,573**	584,610
	458,155	584,610
Total Assets	**7,291,972**	5,795,843
Equity		
Equity attributable to equity holders of the Company		
Called-up share capital	**325,000**	325,000
Share premium	**585,000**	585,000
Retained earnings	**(481,049)**	(382,389)
	428,951	527,611
Liabilities		
Non-Current Liabilities		
Preferred and perpetual securities	**6,833,817**	5,211,233
Current Liabilities		
Other liabilities	**29,204**	56,999
Total Equity and Liabilities	**7,291,972**	5,795,843

The notes on pages 10 to 13 form part of these unaudited condensed interim financial statements.

The condensed interim financial statements were approved and authorised for issue by the board of directors on 28 September 2020 and were signed on its behalf by:

Director

Condensed Statement of Changes in Equity (Unaudited)

For the six months ended 30 June 2020

	Share Capital	Share Premium	Retained Earnings	Total
	€	€	€	€
Balance as at 1 January 2020	**325,000**	**585,000**	**(382,389)**	**527,611**
Total comprehensive loss for the six month period to 30 June 2020	**-**	**-**	**(98,660)**	**(98,660)**
Balance attributable to equity shareholders as at 30 June 2020	**325,000**	**585,000**	**(481,049)**	**428,951**

	Share Capital	Share Premium	Retained Earnings	Total
	€	€	€	€
Balance as at 1 January 2019	**260,000**	**-**	**(57,983)**	**202,017**
Total comprehensive loss for the six month period to 30 June 2019	**-**	**-**	**(83,470)**	**(83,470)**
Balance attributable to equity shareholders as at 30 June 2019	**260,000**	**-**	**(141,453)**	**118,547**

The notes on pages 10 to 13 form part of these unaudited condensed interim financial statements.

Condensed Statement of Cash Flows (Unaudited)

For the six months ended 30 June 2020

	Six months ended 30.06.20	Six months ended 30.06.19
	€	€
	(unaudited)	(unaudited)
Cash flows from operating activities		
Loss for the period	**(98,660)**	(83,470)
Fair value gains from valuation of loans and receivables	**(1,622,584)**	(35,747)
Fair value losses from valuation of preferred securities	**1,622,584**	35,747
(Increase)/decrease in prepaid expenses	**(17,582)**	4,147
Decrease in other liabilities	**(27,795)**	(9,547)
Net cash flows used in operating activities	**(144,037)**	(88,870)
Net decrease in cash and cash equivalents	**(144,037)**	(88,870)
Cash and cash equivalents at beginning of the period	**584,610**	278,647
Cash and cash equivalents at the end of the period	**440,573**	189,777

The notes on pages 10 to 13 form part of these unaudited condensed interim financial statements.

Notes to the Unaudited Condensed Interim Financial Statements

1. General information

These unaudited condensed interim financial statements were approved for issue on 28 September 2020. The audited financial statements of the Company for the year ended 31 December 2019 are available upon request from the Company's registered office. The Company employed no staff during the period or the preceding year.

2. Basis of Preparation

a) ***Statement of compliance*** - The condensed interim financial statements of Alpha Group Jersey Limited (the "Company") for the six months ended 30 June 2020 have been prepared in accordance with IAS 34, 'Interim Financial Reporting'. They do not include all the information required for a complete set of IFRS financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2019 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). They are presented in Euro, and are prepared on the historical cost basis, except for certain financial instruments as explained in the accounting policies below.

b) ***Going concern*** - As the principal activity of the Company is to raise finance for the Parent, by the provision of a loan, the Company is wholly dependent on its Parent to make the payments on the amounts it has borrowed in order to satisfy its obligations to the owners of the preferred securities, which are guaranteed by the Parent.

At 30 June 2020, the Company had a positive net assets position.

Based on the above, after making enquiries of our Parent entity and assessing the liquidity and capital position of the Parent, the Directors have concluded that there is a reasonable expectation that the Parent will make repayments of the loan as required for the Company to meet its obligations and so in their opinion it is appropriate for the financial statements to be prepared on a going concern basis.

The Parent and the Group monitor the current situation regarding the rapid transmission of COVID-19 and has considered the current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that cause uncertainties in making these projections relate to the economic environment in Greece and abroad, to the liquidity levels of the Hellenic Republic and the banking system, as well as to the effects of the spread of coronavirus pandemic (COVID-19) in Europe in the first quarter of 2020. Despite this, it has been noted that there has been no adverse change due to COVID-19 in relation to the Parent and Group's liquidity levels in particular, in relation to the amount of customer's deposits, as well as to the possibility to obtain liquidity through the mechanisms of the eurosystem and interbank repos transactions. In addition, the Group raised additional liquidity through TLTRO ECB program and ensured long term liquidity with explicitly low interest rates.

The Directors are not aware of any further redemptions of the preferred securities or planned tender offers for such which may cause the winding up of the Company within the next 12 months. In addition, the Directors believe there to be sufficient liquidity, in the form of cash reserves or support of the Parent, in order for the Company to meet its on-going operational expenses as they fall due.

Moreover, the Company has sufficient liquid resources to cover 12 months from the date of approval of these condensed interim financial statements. Based on the above, the Directors are of the opinion that the conditions for the going concern principle continue to apply to the Company and accordingly the financial statements have been prepared on a going concern basis.

3. Accounting policies

The accounting policies applied by the Company in preparing the condensed interim financial statements are consistent with those stated in the published financial statements for the year ended 31 December 2019 after taking into account the following new standards and amendments to standards issued by the International Accounting Standards Board adopted by the European Union and applied on 1 January 2020.

Amendments to IAS 1 and IAS 8
Amendments to IFRS 7 and IFRS 9
Amendments to the references to the conceptual framework in IFRS standards

The adoption of the above amendments had no impact on the condensed interim financial statements of the Company.

Notes to the Condensed Interim Financial Statements *(continued)*

3. Accounting policies (continued)

Interest income and expense
Interest income and expense for all interest-bearing financial instruments are recognised in 'Interest income' and 'Interest expense' in the Statement of Comprehensive Income using the effective interest rates of the financial instrument to which they relate, except for the financial instruments measured at fair value through profit and loss, for which all changes in fair value are recognised as valuation gains or losses.

Economic Relationship Between the Loan Notes and Preferred Securities
The loan notes and preferred securities are economically linked in that interest payment on the preferred securities will not be made unless interest has been received on the loan notes to the Parent. The nominal value of both the loan notes and preferred securities are identical and cash flow characteristics are matched.

Profit and loss on redemption of loans and receivables and preferred and perpetual securities (derecognition)
On derecognition of a financial instrument, other than in its entirety, the Company allocates the previous carrying amount of the instrument between the part it continues to recognise and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part no longer recognised and the sum of the consideration received is recognised in profit and loss.

Expenses
Operating expenses are recognised in profit or loss on an accruals basis.

Taxation
The Company as a non-regulated financial services entity is liable to Jersey income tax at 0%.

Cash and cash equivalents
Cash and cash equivalents consist of balances with banks.

Loans and receivables
Under IFRS9, the Company has classified its loan note receivables as a loan and receivable at fair value through profit and loss (FVTPL). The fair value is deemed to be the same as the fair value of the preferred and perpetual securities as the two instruments have virtually identical cash flow characteristics. Loans and receivables are measured at FVTPL because their contractual characteristics do not pass the SPPI test.

The Company derecognises loans and receivables when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Preferred and perpetual securities
The preferred and perpetual securities are recognised as financial liabilities at fair value through profit and loss and therefore carried at fair value. The Company has elected to hold the preferred securities at FVTPL in order to remove an accounting mismatch which would have occurred if the securities had been held at amortised cost. This election is permitted by IFRS9, paragraphs 4.2.2a and 7.2.10a. In addition the Company has also elected to pass all changes in fair value, including those due to changes in credit risk, through profit and loss as permitted by paragraph 5.7.8 of IFRS9.

The terms of the perpetual preferred securities provide the holder with the contractual right to receive payments of interest, however these are dependent on the Parent having sufficient distributable funds. The fair value of the preferred and perpetual securities is calculated using observable market data (i.e. quoted prices in non-active markets as there is limited liquidity and low volumes of trading) and the securities are classified as 'Level 3' for the purposes of risk management disclosures in accordance with IFRS 13.

Functional currency
Due to the fact that the Company's operations are carried out in Euro, the Company has adopted the Euro as its functional and reporting currency. The financial statements are presented in Euro rounded to the nearest Euro.

Foreign currency
Transactions denominated in foreign currencies are translated to Euro at the rate ruling on the date of the transaction. Assets and liabilities at the period end date denominated in foreign currencies are translated to Euro at the rate ruling on the balance sheet date. Any gains or losses arising on translation are recognised in profit or loss.

Segment information
An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses. The Board of Directors ("the Board") believes that the Company has only one operating segment as it has only one area of activity (the issue of debt instruments to raise finance for its parent company), and operates in only one geographical area: Jersey.

Notes to the Condensed Interim Financial Statements *(continued)*

3. Accounting policies (continued)

Use of estimates and judgements
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of the assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and judgements applied are consistent with those stated in the published financial statements for the year ended 31 December 2019.

4. Financial instruments and risk management

The Company was set up to raise finance for the Alpha Bank Group (of which Alpha Bank A.E. is the Parent). This was achieved by the issue of Preferred and Perpetual Securities listed on the Euronext Amsterdam and Frankfurt Stock Exchange, the proceeds of which were advanced to Alpha Credit Group PLC, a fellow subsidiary undertaking as a part of their €30,000,000,000 Euro Medium Term Note Programme guaranteed by the Parent. Since December 2015 the remaining proceeds have been lent directly to the Parent.

The main risks arising for this period and for the remaining 6 months of the financial year from the Company's financial instruments are credit risk, liquidity risk, market risk, which includes market price risk, and interest rate risk. The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at, and for the year ended 31 December 2019. The Board reviews and agrees policies for managing each of these risks.

Fair values of financial assets and financial liabilities

	30.06.20 Fair value €	31.12.19 Fair value €
Loans and receivables (maturing in 2045)	**6,833,817**	5,211,233
Preferred and Perpetual Securities	**6,833,817**	5,211,233

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

Fair value hierarchy

The Company's fair value disclosures are based on the following fair value hierarchy that reflects the significance of the inputs used in making the fair value estimates.
• Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
• Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
• Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Notes to the Condensed Interim Financial Statements *(continued)*

4. Financial instruments and risk management (continued)

The Company's loans and receivables (financial instruments at FVTPL) are categorised as level 3 and the preferred and perpetual securities are categorised as level 3. There were no movements between 'levels' during the period.

Reconciliation of Movement in Level 3 Instruments

	Financial Assets at FVTPL	**Financial Liabilities at FVTPL**
Balance at 1 January 2020	5,211,233	5,211,233
Gains in profit and loss	1,622,584	1,622,584
Balance at 30 June 2020	6,833,817	6,833,817

The fair value of the Preferred Securities is calculated using a discounted cash flow model and is based on significant unobservable inputs and the securities are categorised as "Level 3" for the purposes of risk management disclosures. The two significant inputs are the credit risk spread (the discounting factor) and the timing of dividend payments (the cash flow). The terms and conditions of the Preferred Securities are similar to those of the loan advanced to the Parent. The dividend payment related to the Preferred Securities is directly linked to the interest received from the Parent. If the interest on the loan note is waived, no dividend is paid to the holders of Preferred Securities. The fair value of the loan advanced to the Parent is deemed to be the same as the fair value of the Preferred Securities as the two instruments have virtually identical cash flow characteristics. Both are non-cumulative, to the extent interest has not been waived, the loan has a repayment date of 30 December 2045 whilst the Preferred Securities are perpetual.

5. Related party disclosures

Alpha Bank London Limited by being a subsidiary of the Parent. Cash held at Alpha Bank London Limited as at 30 June 2020 was €440,573 (31 December 2019: €584,610).

The Parent by being a borrower of €6,833,817 as at 30 June 2020 (31 December 2019: €5,211,233).

Mr S Langan, a Director of the Company, also a director of Intertrust SPV Services Limited, which received fees of €22,835 (30 June 2019: €34,008) from the Company for the provision of company secretarial services. The amounts owing at the end of the period was €nil (31 December 2019: €15,374).

Mr N Day (resigned on 31 March 2020) a Director of the Company, is also a Director of Carpe Diem Limited, the previous provider of bookkeeping and accounting services to the Company. Carpe Diem Limited received fees of €5,571 for the period ended 30 June 2020 (30 June 2019: €10,819). There were no amounts owing at the end of the period (31 December 2019: €nil).

Mrs M Ahmed a Director of the Company, is also a Director of Alpha Credit Group PLC and the Chief Financial Officer of Alpha Bank London Limited.

Mr L Mackay (resigned on 31 March 2020) a Director of the Company, is also the Chief Executive Officer of Alpha Bank London Limited, a Company wholly owned by the Parent and a Director of Alpha Credit Group PLC.

The nature of related party transactions has not changed and is consistent with that disclosed in the financial statements as at, and for the year ended 31 December 2019.

6. Post balance sheet events

There have been no significant events after the balance sheet date.

7. Ultimate controlling party

The smallest and largest group in which the results of Alpha Group Jersey Limited are consolidated is that headed by Alpha Bank A.E. a company incorporated in Greece, whose principal place of business is 40 Stadiou Street, 102 52 Athens, Greece.

The consolidated financial statements of the group are available to the public and may be obtained from the above address or on the Alpha Bank AE website at https://www.alpha.gr/en/group/investor-relations.

INDEPENDENT REVIEW REPORT TO ALPHA GROUP JERSEY LIMITED

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 which comprises the Condensed Statement of Comprehensive Income, the Condensed Statement of Financial Position, the Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flows and related notes 1 to 7. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2020 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Use of our report

This report is made solely to the company in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
28 September 2020