ERB NEW EUROPE HOLDING B.V.

Amsterdam, the Netherlands

FINANCIAL STATEMENTS 2018

ERB NEW EUROPE HOLDING B.V.

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ERB NEW EUROPE HOLDING B.V.

Report of the Managing Directors

In accordance with the Articles of Association of ERB New Europe Holding B.V., The Board of Managing Directors herewith submits the Annual Report of ERB New Europe Holding B.V. (the Company) for the year ended 31 December 2018.

Key Activities

ERB New Europe Holding B.V. was incorporated on 2 July 2003 and has its registered and office address at Herengracht 500, Amsterdam, the Netherlands. The Company is incorporated in The Netherlands and is wholly owned by Eurobank Ergasias S.A. ("the Bank and / or the Group") in Greece. On 1 November 2012 the Company changed its name to ERB New Europe Holding B.V. (former name: EFG New Europe Holding B.V.).

ERB New Europe Holding B.V. is part of and acts as a holding Company for investments within Eurobank Ergasias S.A. Group. The Company's objectives are:

a. to incorporate, to participate in, and to conduct the management of other companies and enterprises;

b. to render administrative, technical, financial, economic or managerial services to other companies, persons and enterprises;

c. to acquire, to dispose of, to manage and to commercialise moveable and immoveable property and other goods, including patents, trademark rights, licenses, permits and other industrial property rights;

d. to borrow and to lend money, to act as surety or guarantor in any other manner, and to bind itself solely and jointly or otherwise in addition to or on behalf of others.

Position of Eurobank Group

The Management taking into consideration the below factors has been satisfied that the financial statements of the Company can be prepared on a going concern basis.

Macroeconomic environment

After a year of strong economic recovery from the pandemic-induced recession, Greece and the other countries, in which the Eurobank Group has a substantial presence, were ready to embark on a cycle of sustained growth. However, the current geopolitical upheaval caused by the Russian invasion in Ukraine has resulted in the deterioration of the macroeconomic outlook for the European and Greek economy, which are now confronted with a slowdown in growth and an increase in inflation. Specifically in Greece, according to Hellenic Statistical Authority (ELSTAT), the Harmonized Index of Consumer Prices (HICP) increased by 11.6% on an annual basis in June 2022, driven by the rise in energy, food, and transportation prices, compared to 0.6% in June 2021. The Greek economy exhibited notable resilience in the first quarter of 2022, growing by 2.3% on a quarterly basis (or 7.0% on an annual basis), while the seasonally adjusted unemployment rate stood at 12.5% in May 2022 (May 2021: 15.6%). The European Commission (EC), in its summer economic forecasts (July 2022), estimates that a) the Greek economy will grow by 4% in 2022 and by 2.4% in 2023 (2021: 8.3%) and b) the inflation rate will close at 8.9% in 2022 due to increased energy and fuel costs and their secondary impact on the other sectors of the economy, before declining to 3.5% in 2023. On the fiscal front, the EC in its spring forecasts (May 2022) expects the general government to post a primary deficit of 1.9% of GDP in 2022 and a primary surplus of 1.3% of GDP in 2023 (2021: primary deficit of 5%, including a pandemic stimulus and relief package of € 16 billion and additional support measures of € 1 billion). The gross public debt-to-GDP ratio is expected to decline to 185.7% and 180.4% in 2022 and 2023 respectively (2021: 193.3%). The above forecasts may change as a result of the actual size of the support measures, the impact of inflation on economic growth, and the repercussions of the energy price hikes on public finances. For instance, recent researches refer to a 2022 GDP growth at the area of 5% or above (Moody's analytics) and for debt-to-GDP ratio at ca. 177% and 166% for 2022 and 2023 respectively (Eurobank Research debt sustainability analysis).

A significant boost to growth is expected in Greece and in other countries of presence from the European Union (EU) funding mainly under the EC's Next Generation EU (NGEU) and the EU's Multiannual Financial Framework (MFF). Greece shall receive EU funds of more than € 30.5 billion (€ 17.8 billion in grants and € 12.7 billion in loans) up to 2026 from the Recovery and Resilience Facility (RRF) to finance projects and initiatives laid down in its National Recovery and Resilience Plan (NRRP) titled "Greece 2.0".

Position of Eurobank Group (continued)

A pre-financing of € 4 billion was disbursed in August 2021, and the first regular payment of € 3.6 billion in April 2022. Greece has been also allocated about € 40 billion through EU's MFF 2021-2027. On the monetary policy front, although net bond purchases under the temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022, as scheduled, the European Central Bank (ECB) will continue to reinvest principal from maturing securities at least until the end of 2024, including purchases of Greek Government Bonds (GGBs) over and above rollovers of redemptions. Furthermore, on 21 July 2022 the Governing Council of ECB, in line with its strong commitment to its price stability mandate, decided to raise the three key ECB interest rates by 50 basis points and approved a new instrument (Transmission Protection Instrument – TPI) aimed at preventing fragmentation in the sovereign bonds market. This year, the Greek State, through the Public Debt Management Agency (PDMA), issued a 10-year bond of € 3 billion at a yield of 1.836% on 19 January 2022, a bond of € 1.5 billion with 5 years to maturity (reopening of an older 7-year bond) at a yield of 2.366% on 17 April 2022, two bonds of € 0.25 billion and € 0.15 billion with 15- and 20 years to maturity (reopening of older 20 and 25-year bonds) at yields of 3.51% and 3.56% respectively on 30 May 2022, and a 10-year bond of € 0.5 billion (reopening of the bond issued on 19 January) at a yield of 3.67% on 11 July 2022. As of early June 2022, the cash reserves of the Greek State stood at nearly € 40 billion, and its sovereign rating was one notch below investment grade by two of the four major rating agencies accepted by the ECB (DBRS Morningstar: BB (high), S&P Ratings: BB+).

Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows:

the ongoing Russian - Ukraine war, 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 of the disruptions in the global supply chain, which have been exacerbated by the war in Ukraine, the mobility restriction measures in China and the imbalances in the production process in many industries due to the Covid-19 outbreak, (c) a prolongation and/or exacerbation of the ongoing inflationary wave, especially in the energy and food sectors, and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, (d) the ongoing and potential upcoming increases in the interest rates worldwide, and in the Euro Area in particular, that may exert upwards pressures on sovereign and private borrowing costs and lead economies to slow down or recession, (e) the actual size and duration of the current and potentially new fiscal measures aimed at alleviating the impact of rising energy prices and living costs, and their impact on the long-term sustainability of the country's public debt, (f) the impact of the withdrawal of the temporary support measures on growth, employment and the continual service of household and corporate debt, (g) the prospect of the so-called "twin deficits" (i.e. fiscal and current account deficit) becoming more structural, although currently they appear to be more a repercussion of the pandemic and the energy crisis, (h) the evolution of the Covid-19 pandemic and its repercussions at a national and worldwide scale, and the probability of emergence of new Covid-19 variants that could further impact economic growth, fiscal balance and international trade, (i) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (j) the implementation of the structural reforms and privatizations' agenda in order also to meet the RRF targets and milestones, (k) the geopolitical developments in the near region, and (l) 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, asset quality, solvency and profitability of the Greek banking sector. The Russian invasion in Ukraine poses uncertainties in global economy and international trade with far-reaching and long-term consequences. However, the risks coming from the 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 or Ukrainian assets, is continuously monitoring the developments on the macroeconomic and geopolitical fronts as well as the evolution of its asset quality KPIs 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 in accordance with the business plan for 2022-2024.

As at 30 June 2022, the Eurobank Group's Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios, which include full year's transition effects, stood at 17.2% (31 December 2021: 16.1%) and 14.7% (31 December 2021: 13.7%) respectively. In accordance with the business plan for the period 2022-2024, the Group's NPE ratio is expected at 5.8% at the end of 2022 and to decline below 5% in 2024.

Position of Eurobank Group (continued)

Eurobank Demerger

On 20.03.2020 Eurobank Ergasias S.A. announced that, following the decision of the Extraordinary General Meeting of its shareholders held on 31.01.2020 and after obtaining the necessary approvals by the competent Authorities, its demerger through sector's hive down and establishment of a new company-credit institution ("Demerger") under the corporate name "Eurobank S.A." ("Eurobank") was completed. Furthermore, on 23.03.2020 the amendment of its Articles of Association was announced, according to which its corporate name of Eurobank Ergasias S.A. was amended to "Eurobank Ergasias Services and Holdings S.A." ("Eurobank Holdings").
Following the above, Eurobank substitutes Eurobank Holdings, by way of universal succession, to all the transferred assets and liabilities, as set out in the transformation balance sheet of the hived down sector (as at 30.06.2019) and formed up to Demerger's completion on 20.03.2020.

Eurobank Holdings, Eurobank's sole shareholder, ceases to be a credit institution and maintains activities and assets and liabilities that are not related to main banking activities, but are mainly related to the strategic planning of the administration of non-performing loans and the provision of services to the Group companies and third parties. Eurobank Holdings continues to be listed on the Athens Stock Exchange with its shares trading under its new name starting from 24.03.2020.

Liquidity risk

In 2018, the expectations for a further improvement of the macroeconomic environment in Greece has enhanced Greece's credibility towards the international markets, improved the domestic economic sentiment and facilitated the return of deposits. The prompt implementation of the post-program period's reforms scheme will help further reinstating depositors' confidence, will accelerate the access to the markets for debt issuance and positively influence the financing of the economy.
As at 31 December 2018, the Bank's dependency on Eurosystem financing facilities decreased to € 2.1 bn (of which € 0.5 bn funding from ELA), mainly due to deposits inflows, assets deleveraging, increased market repos on Greek Government securities and two asset backed securities issues sold via a private placement to an international institutional investor (31 December 2017: € 10 bn, of which € 7.9 bn from ELA). As at 28 February 2019, the Group has eliminated the use of ELA funding while the total Eurosystem funding further declined to € 1.3 bn. In addition, the increase of deposits by more than € 5 bn in 2018 improved the Group's (net) loans to deposits (L/D) ratio to 92.6% end of December 2018 from 109.6% end of 2017.

Solvency risk

As at 30 June 2022, the Eurobank Group's Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios, which include full year's transition effects, stood at 17.2% (31 December 2021: 16.1%) and 14.7% (31 December 2021: 13.7%) respectively. In accordance with the business plan for the period 2022-2024, the Group's NPE ratio is expected at 5.8% at the end of 2022 and to decline below 5% in 2024.

In terms of liquidity, as at 30 June 2022, the Group deposits increased to € 54 billion (31 December 2021: € 53.2 billion), leading the Group's (net) loans to deposits (L/D) ratio to 75% (31 December 2021: 73.2%), while the funding from the targeted long term refinancing operations of the European Central Bank – TLTRO III programme amounted to € 11.6 billion (31 December 2021: € 11.7 billion). The rise in high quality liquid assets of the Group led the respective Liquidity Coverage ratio (LCR) to 174% (31 December 2021: 152%). In the context of the 2022 ILAAP (Internal Liquidity Adequacy Assessment Process), 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).

Risk Management

The Managing Board utilises a risk management policy and receives regular reports to enable prompt identification of financial risk so that appropriate actions may be taken. The Company employs written policy and procedures that sets out specific guidelines to manage credit risk, interest rate risk, foreign currency risk and liquidity risk. For a further analysis we refer to note 5 in the Notes to the balance sheet and Statement of Comprehensive income of this report.

Position of Eurobank Group (continued)

Credit Rating of Eurobank Group

The parent company's (Eurobank Ergasias Group) long term rating was 'B-' at June 2018 (2016: CCC+, 2015: SD) according to the Standard & Poor's credit rating.
Eurobank's Local Currency LT credit rating was upgraded to "B+" from "B" on 27th April 2021, according to S&P Global Rating agency.

Outlook

There were no changes in the nature of the activities of the Company in 2018 and no changes took place in 2019.

Current year results

During the year under review the Company recorded a profit of EUR 56,221,773. The profit was mainly driven by dividends received from its investments, by reversal of impairment and by the sale of Romanian Group. In the previous financial year (2017) a profit recorded amounted EUR 90,012,852.

Related party transactions

The Bank's shareholding structure

Eurobank Ergasias Services and Holdings S.A. (Eurobank Holdings) is the parent company of Eurobank S.A. (the Bank). The Board of Directors (BoD) of Eurobank Holdings is the same as the BoD of the Bank and part of the key management personnel (KMP) of the Bank provides services to Eurobank Holdings according to the terms of the relevant agreement between the two entities.

As at 30 June 2022, the percentage of the Company's ordinary shares with voting rights held by the Hellenic Financial Stability Fund (HFSF) stands at 1.40%. The HFSF is considered to have significant influence over the Company pursuant to the provisions of the Law 3864/2010, as in force and the Tripartite Relationship Framework Agreement (TRFA) between the Bank, the Company and the HFSF signed on 23 March 2020 and amended on 3 February 2022. Fairfax Group, which holds 33% of Eurobank Holdings voting rights as of 30 June 2022 (31 December 2021: 33%), is considered to have significant influence over the Eurobank Holdings.

Operations in Romania classified as held for sale

On 15 September 2017, Eurobank announced that has entered into negotiations with Banca Transilvania with regards to the potential sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group). The sale was considered highly probable, therefore the Romanian disposal group was classified as held for sale in the Company's financial statements. On 24 November 2017, the Bank announced that it has reached an agreement with Banca Transilvania to sell the shares in Romanian disposal group. On 03/04/2018, the Group disposed the Romanian disposal Group, after all regulatory approvals were obtained and the Company received a cash consideration amounting to €56,4 million.

Post balance sheet events

On 4 April 2018, the Bank announced the completion of the sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group) to Banca Transilvania.

According to the tax audit assessment communicated to Bancpost S.A. within July 2018, following the completion of the tax audit for the years 2011-2015, the additional taxes to be paid amount in total to € 40 million, approximately. The said taxes result from the imposition of additional withholding taxes of € 30 million (including surcharges of € 10 million) and additional corporate income tax of € 10 million deriving from both the disallowance for tax deduction of certain expenses and the recognition of deemed taxable income. According to the SPA, the Purchaser could claim, subject to certain limitations on the total claim, from the Seller the tax liabilities that will be assessed by a tax authority as a result of a Tax audit covering all tax matters in respect of all open (non-expired) taxable periods of Bancpost S.A. until the completion of the transaction. In respect of the above, Eurobank has recognized a provision of € 15 million in the income statement. The Group is in communication with Bancpost S.A. and BT, which are in the process of challenging the tax audit assessment.
In addition in the second half of 2018, the Romanian National Authority for Consumer Protection (ANPC) imposed three fines totaling € 72 thousand and additional remedy measures on Bancpost S.A. in connection with complaints raised by certain Bancpost S.A. lending clients, related to portfolios of performing loans which were assigned by Bancpost S.A. to ERB New Europe Funding II (an entity in the Netherlands controlled by Eurobank) in 2008. The ANPC has challenged the capacity of NEF II to acquire the loan receivables from Bancpost S.A. and of certain alleged breaches of consumer protection laws. Furthermore, the ANPC concluded that payments by the consumers such as interests, fees, penalties in relation to all loans assigned to NEF II were illegally cashed in by NEF II for a period of ten years and should be reimbursed by Bancpost S.A. The SPA provides for an indemnity in respect of losses incurred from claims made against the Purchaser or Bancpost S.A. in relation to loans and receivables of the above perimeter. Bancpost S.A. is in the process of challenging the ANPC minutes.
In 2019 the first instance court admitted BT’s complaints (as legal successor to Bancpost S.A.) against ANPC in all three aforementioned cases, ruling that the relevant penalties and remedy measures imposed on Bancpost S.A. (in the meantime merged into BT) are cancelled. The relevant fines and other measures imposed on Bancpost SA in 2018 by the Romanian National Authority for Consumer Protection (ANPC) have been finally cancelled by definitive court rulings.

On 27 December 2019 the Company made a dividend distribution in the amount of EUR 100,000,000 from the respective retained earnings and profit of the current financial year, to the Shareholder of the Company Eurobank S.A.

On 7 April 2019 the Company made the share transfers of the shares remained in the possession of Eurobank Bulgaria , following their acquisition (buy back) by Eurobank Bulgaria A.D. for the purpose of the merger with Piraeus Bank Bulgaria and the shares of the minority Shareholder.

Other events

In February 2018, the reduction of Bancpost S.A. share capital by decreasing the nominal value per share was completed and resulted in the decrease of NEH's holding to the company by EUR 2,7 million.

On 9 January 2018, the Company distributed the interim dividend amounting to EUR 37,87 million to its sole shareholder, Eurobank S.A.
On 4 April 2018, the Bank announced the completion of the sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group) to Banca Transilvania.

COVID-19 developments

During 2020 and the first quarter of 2021, the outbreak of Covid-19 pandemic and the measures adopted to contain the virus expansion defined the economic environment in Greece and globally. More specifically, the Covid-19 pandemic posed substantial uncertainties and risks for both the macroeconomic environment and the ability of numerous businesses to operate under the restrictive measures, including countywide and local lockdowns, adopted to contain the virus expansion.

The extent to which COVID-19 impacts our business will depend on future developments, which are highly uncertain and cannot be predicted at this point in time.

We are closely monitoring the situation and its potential impact on our business, and we do not expect a material one. The Company follows guidance from the local health authorities and adheres to the requirements and actions as implemented by the Cypriot government. The Company is proactively executing risk strategies to mitigate the potential adverse impact on the Company’s employees and operations.

Current conflict between Russia and Ukraine developments

The current geopolitical upheaval caused by the Russian invasion in Ukraine in February 2022 has resulted in the deterioration of the macroeconomic outlook for the European and Greek economy, which are now confronted with a slowdown in growth and an increase in inflation.
Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows:

the ongoing Russian - Ukraine war, 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 of the disruptions in the global supply chain, which have been exacerbated by the war in Ukraine, the mobility restriction measures in China and the imbalances in the production process in many industries due to the Covid-19 outbreak, (c) a prolongation and/or exacerbation of the ongoing inflationary wave, especially in the energy and food sectors, and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, (d) the ongoing and potential upcoming increases in the interest rates worldwide, and in the Euro Area in particular, that may exert upwards pressures on sovereign and private borrowing costs and lead economies to slow down or recession, (e) the actual size and duration of the current and potentially new fiscal measures aimed at alleviating the impact of rising energy prices and living costs, and their impact on the long-term sustainability of the country's public debt, (f) the impact of the withdrawal of the temporary support measures on growth, employment and the continual service of household and corporate debt, (g) the prospect of the so-called "twin deficits" (i.e. fiscal and current account deficit) becoming more structural, although currently they appear to be more a repercussion of the pandemic and the energy crisis, (h) the evolution of the Covid-19 pandemic and its repercussions at a national and worldwide scale, and the probability of emergence of new Covid-19 variants that could further impact economic growth, fiscal balance and international trade, (i) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (j) the implementation of the structural reforms and privatizations' agenda in order also to meet the RRF targets and milestones, (k) the geopolitical developments in the near region, and (l) 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, asset quality, solvency and profitability of the Greek banking sector. The Russian invasion in Ukraine poses uncertainties in global economy and international trade with far-reaching and long-term consequences. However, the risks coming from the 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 or Ukrainian assets, is continuously monitoring the developments on the macroeconomic and geopolitical fronts as well as the evolution of its asset quality KPIs 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 in accordance with the business plan for 2022-2024.

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.

Future developments

The Company's business strategy and activities are linked to these of Eurobank S.A., which is the direct shareholder of the Company.
The assessment by the directors of the Company's ongoing business model is closely associated with the business decisions and operations of the Parent Company and its subsidiaries. On the basis of the analysis of the Company's profitability, capitalisation and funding structure, the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future.

Amsterdam, 20 October 2022

Managing Directors
ERB New Europe Holding B.V.
Chamber of Commerce number: 34192535

C. Koukoutsaki	S. Psychogios
L.P. Elstershamis	R. Wemmi

ERB NEW EUROPE HOLDING B.V.

Other Comprehensive Income
for the period ended 31 December 2018
(in EUR)

	Note	1/1/2018 - 31/12/2018	1/1/2017 - 31/12/2017
Income and Expenses			
Interest income	15	2.664	2.086
Interest expense	15	-893.314	-1.047.090
Impairment reversal on investments in subsidiaries and associates	6, 7	18.845.282	9.570.376
Dividend income	15	23.156.031	63.156.031
Gain on disposal and liquidation of investments	6	0	721.696
Currency exchange result		166.172	-473.578
General and administrative expenses		-104.481	-124.362
Operating Profit		41.172.354	71.805.158
Profit before taxation		41.172.354	71.805.158
Profit for the year from continuing operations		41.172.354	71.805.158
Profit/(Loss) for the year from discontinued operations	8	15.049.419	18.207.694
Profit for the year		56.221.773	90.012.852
Total comprehensive income for the year		**56.221.773**	**90.012.852**

The notes to the accounts on pages 12 to 34 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Balance Sheet as at 31 December 2018

(In EUR, before appropriation of results)

	Notes	1/1/2018 - 31/12/2018	1/1/2017 - 31/12/2017
ASSETS			
Non-current assets			
Investments in subsidiaries	6	271.520.892	273.432.005
Investments in associates	7	484.771.233	464.014.842
Assets of disposal group classified as held for sale	8	0	42.204.383
		756.292.124	779.651.230
Current assets			
Trade and other receivables	9	817.018	800.029
Cash and cash equivalents	10	164.694.485	134.579.027
		165.511.503	135.379.056
TOTAL ASSETS		921.803.627	915.030.286
EQUITY			
Equity attributable to equity holders of the Company			
Ordinary shares	4.2	767.728.500	767.728.500
Share premium		8.904	8.904
Accumulated Profit (Losses), excluding the result for the current year		52.300.927	-24.661.369
Total comprehensive income for the year		56.221.773	90.012.852
TOTAL EQUITY		876.260.105	833.088.888
LIABILITIES			
Current liabilities			
Loan payable	12	43.813.750	43.813.750
Trade and other payables	13	1.729.773	38.127.649
		45.543.522	81.941.398
TOTAL EQUITY, PROVISIONS AND LIABILITIES		921.803.627	915.030.286

The notes to the accounts on pages 12 to 34 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Cash Flow Statement
for the period ended 31 December 2018
(in EUR)

	Notes	1/1/2018 - 31/12/2018	1/1/2017 - 31/12/2017
Cash flow from (continuing) operating activities			
(Application of Indirect Method)			
Profit / (Loss) before tax for the year		41.172.354	71.805.158
Adjustments for:			
Impairment reversal / loss on investments in subsidiaries and associates	6, 7	-18.845.282	-9.570.375
Gain on disposal and liquidation of investments	6	0	-721.696
Dividend income		-23.156.031	-63.156.031
Unrealised foreign exchange (loss) / gain		139.050	440.124
Interest income		-2.664	-2.086
Interest expense		893.314	1.047.090
		200.741	**-157.816**
Net decrease in trade and Other receivables	9	-16.987	49.346
Net (decrease) / increase in trade and Other payables	13	25.579	-328.094
Interest paid		-893.404	-1.047.090
Net cash used in continuing operating activities		**-684.071**	**-1.483.654**
Cash flows from continuing investing activities			
Interest received	15	2.664	2.086
Acquisition / liquidation of interests in subsidiaries	6	0	633.267
Acquisition of interests in associates	7	-3	-2
Dividends from subsidiaries/associates	15	23.156.031	63.156.031
Net cash generated from continuing investing activities		**23.158.692**	**63.791.382**
Dividends paid to shareholder		-50.866.723	--
Net cash used in continuing financing activities		**-50.866.723**	--
Total cash from continuing operations		**-28.392.102**	**62.307.728**
Net increase in cash equivalents from continuing operating activities		**22.474.621**	**62.307.728**
Net cash generated / (used in) discontinued investing activities	8	58.710.674	24.507.576
Net increase / (decrease) in cash equivalents		**30.318.571**	**86.815.304**
Cash and cash equivalents at the beginning of the year	10	134.528.470	48.203.843
Cash and cash equivalents at the end of the year	10	165.016.638	134.579.027
Effect of exchange rate fluctuations on cash held		169.597	-440.120
Movement in cash		**-30.318.571**	**-86.815.304**

The notes to the accounts on pages 12 to 34 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Statement of Changes in equity
for the period ended 31 December 2018
(in EUR)

	Ordinary Shares	Share premium	Retained earnings	Total equity
Balance as at 1 January 2017	802.808.000	4.157	-21.869.399	780.942.758
Share capital / premium decrease (note 5)	-35.079.500	4.747	35.074.753	--
Dividend payable	--	--	-37.866.723	-37.866.723
Profit for the period	--	--	90.012.852	90.012.852
Balance as at 31 December 2017	**767.728.500**	**8.904**	**65.351.484**	**833.088.888**
Balance as at 1 january 2018	**767.728.500**	**8.904**	**65.351.484**	**833.088.888**
Impact of adopting IFRS 9 at 1 January 2018 (Note 2.2.2 & 11)	--	--	-50.557	-50.557
Balance as at 1 January 2018 as restated	**767.728.500**	**8.904**	**65.300.927**	**833.038.331**
Share capital / premium decrease (note 5)	--	--	--	--
Dividend payable	--	--	-13.000.000	-13.000.000
Profit for the period	--	--	56.221.773	56.221.773
Balance as at 31 December 2018	**767.728.500**	**8.904**	**108.522.700**	**876.260.104**

The notes to the accounts on pages 12 to 34 form an integral part of these financial statements.

Notes to the Financial Statements as at 31 December 2018
(in EUR)

1 GENERAL

ERB New Europe Holding B.V. (the Company) is a Dutch private company with limited liability, incorporated in Amsterdam on 2 July 2003 under name Cayne Management Group B.V. On 13 March 2007 Eurobank Ergasias S.A. (the 'Parent') acquired all shares in the capital of the Company and on May 2007 the Company changed its name to EFG New Europe Holding B.V. On 1 November 2012 the Company changed its name to ERB New Europe Holding B.V. The Company mainly acts as an intermediate holding and finance company and currently has its office address at Herengracht 500, Amsterdam, the Netherlands. The Company's Chamber of Commerce number is 34192535.

2 BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below:

2.1 Basis of preparation

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the IASB, as endorsed by the European Union (EU), and in particular with those IFRSs and IFRS Interpretation Committee's (IC) interpretations, issued and effective or issued and early adopted as at the time of preparing these statements.

The financial statements are prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The Company's presentation currency is the Euro (€) being the functional currency of the parent company.

2.1.1 New and amended standards and interpretations

The policies set out below have been consistently applied to the years 2018 and 2017, except as described below as well as in notes 2.2.5, 2.2.9 and 2.2.25 as result of transition to IFRS 9. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Amendments to standards adopted by the Company

The following amendments to standards, as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU), apply from 1 January 2018:

Annual Improvements to IFRSs 2014-2016 Cycle

IAS 28 'Investments in Associates and Joint Ventures': It is clarified that venture capital organizations, mutual funds, unit trusts and similar entities are allowed to elect measuring their investments in associates or joint ventures at fair value through profit or loss.

The adoption of the amendment had no impact on the Company's financial statements.

IFRIC 22, Foreign Currency Transactions and Advance Consideration

IFRIC 22 provides requirements about which exchange rate to use in reporting foreign currency transactions that involve an advance payment or receipt. The interpretation clarifies that in this case, the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income is the date of the advance consideration, i.e. when the entity initially recognized the non-monetary asset (prepayment asset) or non-monetary liability (deferred income liability) arising from the advance consideration. If there are multiple payments or receipts in advance, the entity must determine a date of transaction for each payment or receipt.

The adoption of the interpretation had no impact on the Company's condensed interim financial statements.

IFRS 9, Financial Instruments

On 1 January 2018, the Group adopted IFRS 9 'Financial Instruments', which replaces IAS 39, 'Financial Instruments: Recognition and Measurement'. The adoption of IFRS 9 in 2018 resulted in changes in accounting policy in two principal areas, classification and measurement of financial assets and liabilities and impairment of financial assets. The Company elected, as a policy choice permitted under IFRS 9, to continue to apply hedge accounting in accordance with IAS 39.

Differences arising from the adoption of IFRS 9 have been recognized directly in reserves and retained earnings as of 1 January 2018 and are disclosed in note 2.2.2. The Company has not restated comparative information for 2017 for financial instruments in the scope of IFRS 9.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Changes in the classification and measurement

IFRS 9 applies a new classification and measurement approach for all types of financial assets that reflects the entity's business model for managing the assets and their contractual cash flow characteristics.

To determine their classification and measurement category, IFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics. Reclassifications between categories are made only in rare circumstances.
In accordance with the IFRS 9 transition requirements, the Company performed an assessment of business model at the date of initial application i.e. 1 January 2018.
The IAS 39 categories of financial assets (fair value through profit or loss (FVTPL), available for sale (AFS), held-to-maturity (HTM) and Loans and Receivables) have been replaced by:

• Debt instruments measured at amortized cost
• Debt instruments measured at fair value through other comprehensive income (FVOCI), with gains or losses recycled to profit or loss on de-recognition
• Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on de-recognition
• Financial assets measured at FVTPL

The Company may at initial recognition, designate a financial asset at FVTPL in order to eliminate or significantly reduce an accounting mismatch.
Furthermore, on initial recognition of an equity instrument that is not held for trading, an entity may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.
The IFRS 9 eligibility requirements for applying the fair value option to measure financial liabilities at FVTPL are consistent with those of IAS 39. However, for financial liabilities designated at FVTPL, gains or losses attributable to changes in own credit risk shall be presented in OCI and shall not be subsequently transferred to profit or loss unless such a presentation would create or enlarge an accounting mismatch.

Changes to the impairment calculation

The adoption of IFRS 9 has changed significantly the Company's accounting for the impairment of financial assets by replacing IAS 39 incurred loss approach with a forward-looking expected credit loss (ECL) approach, which requires the use of complex models and significant judgment about future economic conditions and credit behavior. Credit losses are recognized earlier under IFRS 9 compared to IAS 39.
IFRS 9 requires to record an allowance for credit loss for all financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, which are off-balance sheet items. The allowance is based on the ECL calculation of the related probability of default of the debtor in the next twelve months unless there has been a significant increase in credit risk since origination of the exposure, when lifetime ECL is measured. If the financial asset meets the definition of purchased or originated credit impaired (POCI), the allowance is based on the change in the ECL over the life of the asset. Details of the Company's impairment policy are disclosed in Section 2.2 of this note.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

IFRS 4, Amendment-Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (effective 1 January 2018)

The amendment addresses the accounting consequences of the different effective dates of IFRS 9 'Financial Instruments' and the forthcoming new insurance contracts Standard. It introduces two options for entities that issue insurance contracts: a temporary exemption from applying IFRS 9 and an overlay approach.

The optional temporary exemption from IFRS 9 is available to entities whose activities are predominantly connected with insurance, allowing them to continue to apply IAS 39 'Financial Instruments: Recognition and Measurement' while they defer the application of IFRS 9 until 1 January 2021 at the latest.

The overlay approach is an option for entities that adopt IFRS 9 and issue insurance contracts, to adjust profit or loss for eligible financial assets, effectively resulting in IAS 39 accounting for those designated financial assets. This approach can be used provided that the entity applies IFRS 9 in conjunction with IFRS 4 and classifies financial assets as fair value through profit or loss in accordance with IFRS 9, when those assets were previously classified at amortized cost or as available-for-sale in accordance with IAS 39.

The amendment is not relevant to the Company's activities.

IFRS 15, Revenue from Contracts with Customers and IFRS 15 Amendments

IFRS 15 establishes a single, comprehensive revenue recognition model for determining when and how much revenue to recognize and replaces existing revenue recognition guidance, including IAS 18 'Revenue', IAS 11 'Construction Contracts' and IFRIC 13 'Customer Loyalty Programs'.

IFRS 15 applies to all contracts with customers, except those in the scope of other standards such as:

• Financial instruments and other contractual rights or obligations within the scope of IFRS 9 'Financial Instruments', IFRS 10 'Consolidated Financial Statements', IFRS 11 'Joint Arrangements', IAS 27 'Separate Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures';
• Lease contracts within the scope of IAS 17 'Leases' (or IFRS 16 'Leases'); and
• Insurance contracts within the scope of IFRS 4 'Insurance Contracts'.

Therefore, interest and fee income integral to financial instruments will continue to fall outside the scope of IFRS 15.

IFRS 15 specifies that revenue should be recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services. It introduces the concept of recognizing revenue for performance obligations as they are satisfied and the control of a good or service (i.e. the ability to direct the use of and obtain the benefits from them), is obtained by the customer. For services provided over time, such as management fee income earned for asset management services provided and variable performance fee income based on the return of the underlying asset at a particular date, consideration is recognized as the service is provided to the customer provided that it is probable that a significant reversal of consideration will not occur.

Extensive disclosures will be required in relation to revenue recognized and expected from existing contracts.

IFRS 15 was amended in April 2016 to provide several clarifications, including that in relation to the identification of the performance obligations within a contract.

The adoption of the amendment had no impact on the Company's financial statements as net interest income, which is a primary revenue stream of the Company, is not impacted by the adoption of IFRS 15 and the existing Company accounting treatment for revenue from contracts with customers, including fee and commission income, is generally in line with IFRS 15.

IAS 40, Amendment-Transfers of Investment Property

The amendment clarifies that a transfer of property, including property under construction or development, into or out of investment property should be made only when there has been a change in use of the property. Such a change in use occurs when the property meets, or ceases to meet, the definition of investment property and should be supported by evidence.
The adoption of the amendment had no impact in Company's financial statements.

New standards, amendments to standards and interpretations not yet adopted by the Group

A number of new standards, amendments to existing standards and interpretations are effective after 2018, as they have not yet been endorsed by the European Union or have not been early applied by the Group. Those that may be relevant to the Group are set out below:

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

IFRS 9, Amendment–Prepayment Features with Negative Compensation (effective 1 January 2019)

The amendment changes IFRS 9 requirements in order to allow measurement of a financial asset at amortized cost or at FVOCI, depending on the business model, even in the case of prepayment options which could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). Therefore, measurement of these financial assets will be regardless of the event or circumstance that caused the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination. Applying IFRS 9 before the amendment would probably result in the measurement of these financial assets at FVTPL.

The amendment also confirms the modification accounting of financial liabilities under IFRS 9. In specific, when a financial liability measured at amortized cost is modified without this resulting in derecognition, a gain or loss, calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, should be recognized in profit or loss.

The adoption of the amendment is not expected to impact the Company's financial statements.

IFRIC 23, Uncertainty over Income Tax Treatments (effective 1 January 2019)

The interpretation clarifies the application of the recognition and measurement requirements in IAS 12 'Income Taxes' when there is uncertainty over income tax treatments. In such a circumstance, recognition and measurement of current or deferred tax asset or liability according to IAS 12 is based on taxable profit (tax loss), tax bases, unused tax losses and tax credits and tax rates determined applying IFRIC 23.
According to the interpretation, each uncertain tax treatment is considered separately or together as a group, depending on which approach better predicts the resolution of the uncertainty and the entity should assume that a tax authority with the right to examine tax treatments will examine them and will have full knowledge of all relevant information.
If an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, it should determine its accounting for income taxes consistently with that tax treatment. If it concludes that it is not probable that the treatment will be accepted, the effect of the uncertainty in its income tax accounting should be reflected in the period in which that determination is made, using the method that best predicts the resolution of the uncertainty (ie the most likely amount or the expected value method).
Judgments and estimates made for the recognition and measurement of the effect of uncertain tax treatments should be reassessed whenever circumstances change or new information that affects those judgments arise (eg actions by the tax authority, evidence that it has taken a particular position in connection with a similar item or the expiry of its right to examine a particular tax treatment).
The adoption of the interpretation is not expected to impact the Company's financial statements.

IAS 28, Amendment – Long Term Interests in Associates and Joint Ventures (effective 1 January 2019, not yet endorsed by EU)

The amendment clarifies that IFRS 9 'Financial Instruments' including its impairment requirements, applies to long term interests in associates or joint ventures that form part of the entity's net investment in the associate or joint venture but are not accounted for using equity accounting.
According to the amendment, any adjustments to the carrying amount of long term interests resulting from the application of IAS 28 should not be considered when applying the IFRS 9 requirements which apply to long term interests before applying the loss allocation and impairment requirements of IAS 28.
The adoption of the amendment is not expected to impact the Company's financial statements.

IAS 19, Amendment –Plan Amendment, Curtailment or Settlement (effective 1 January 2019, not yet endorsed by EU)

The amendment clarifies that when a change to a defined benefit plan i.e. an amendment, curtailment or settlement takes place and a remeasurement of the net defined benefit liability or asset is required, the updated actuarial assumptions from the remeasurement should be used to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. Additionally, the amendment includes clarifications about the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.
The adoption of the amendment is not expected to impact the Company's financial statements.

Annual Improvements to IFRSs 2015-2017 Cycle (effective 1 January 2019, not yet endorsed by EU)

The amendments introduce key changes to four IFRSs following the publication of the results of the IASB's 2015-17 cycle of the annual improvements project. The topics addressed by these amendments are set out below:

•IFRS 3 'Business Combinations' and IFRS 11 'Joint Arrangements': The amendments clarified how an entity accounts for increasing its interest in a joint operation that meets the definition of a business. Specifically:

- If a party obtains control of a business that is a joint operation, then the transaction constitutes a business combination achieved in stages and the acquiring party re-measures the entire previously held interest in the assets and liabilities of the joint operation at fair value.
- If a party obtains joint control, then the previously held interest is not re-measured.

•IAS 12 'Income Taxes': IASB clarified that all income tax consequences of dividends, including payments on financial instruments classified as equity, should be recognized in profit or loss, other comprehensive income or equity, depending on where the originating transaction or event that generated distributable profits giving rise to the dividend, was recognized.
•IAS 23 'Borrowing costs': The amendments clarified that any borrowing originally made to develop a qualifying asset should be treated as part of general borrowings when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

The adoption of the amendments is not expected to impact the Company's financial statements.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020, not yet endorsed by EU)

In March 2018, the IASB issued its revised Conceptual Framework. This replaces the previous version of the Conceptual Framework issued in 2010. Revisions performed by IASB introduced a new chapter of measurement, updated definitions of an asset/liability and recognition criteria, as well as clarifications on important areas.

Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020, not yet endorsed by EU)

The IASB issued amendments to the definition of a business in IFRS 3 "Business Combinations" to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, and add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test.

Amendments to IAS 1 and IAS 8: Definition of Material (effective 1 January 2020, not yet endorsed by EU)

The amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' The amendments clarify that materiality will depend on the nature or magnitude of information, or both.

IFRS 17, Insurance Contracts (effective 1 January 2021, not yet endorsed by EU)

IFRS 17, which supersedes IFRS 4 'Insurance Contracts' provides a comprehensive and consistent accounting model for insurance contracts. It applies to insurance contracts issued, all reinsurance contracts and to investment contracts with discretionary participating features that an entity issues provided it also issues insurance contracts. Financial guarantee contracts are allowed to be within the scope of IFRS 17 if the entity has previously asserted that it regarded them as insurance contracts.

According to IFRS 17 general model, groups of insurance contracts which are managed together and are subject to similar risks, are measured based on building blocks of discounted, probability-weighted future cash flows, a risk adjustment and a contractual service margin ('CSM') representing the unearned profit of the contracts. Under the model, estimates are remeasured in each reporting period. A simplified measurement approach may be used if it is expected that doing so a reasonable approximation of the general model is produced or if the contracts are of short duration.

Revenue is allocated to periods in proportion to the value of expected coverage and other services that the insurer provides during the period, claims are presented when incurred and any investment components i.e amounts repaid to policyholders even if the insured event does not occur, are not included in revenue and claims. Insurance services results are presented separately from the insurance finance income or expense.

IFRS 17 is not relevant to the Company's activities, other than through its associate Eurolife ERB Insurance Group Holdings S.A.

2.2 IFRS 9 'Financial Instruments' – Impact of adoption

2.2.1 Adoption of IFRS 9

The Company adopted IFRS 9 in the first quarter of 2018, whereas the Standard's requirements were applied retrospectively by adjusting the Company's balance sheet on the date of transition on 1 January 2018. The Company applied the Standard's exemption not to restate comparative figures for prior periods; therefore the Company's 2017 comparatives are presented on an IAS 39 basis. The effect on the carrying amounts of financial assets and liabilities at the date of transition to IFRS 9 was recognized as an adjustment to opening reserves and retained earnings. The detailed effects of the adoption of IFRS 9 on 1 January 2018 are presented in note 2.2.2.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.2.2 Transition to IFRS 9 –Impact

The impact of transitioning to IFRS 9 amounts to € 50.557 as depicted in the table below. The transition to IFRS 9 results in a decrease of the Company's equity by the same amount, which is recognized as an opening balance adjustment at 1 January 2018.

	IFRS 9 impact
Impact attributable to:	
Impairment	
Cash and cash equivalent	(50.557)
Classification & Measurement	-
Hedging	-
Total IFRS 9 impact	**(50.557)**

The table below presents the impact of transition to IFRS 9 to Retained earnings:

Retained earnings	**IFRS9 impact**
Closing balance under IAS39	65.351.484
Remeasurement under IFRS9 ECL impairment	(50.557)
Opening balance under IFRS9	**65.300.927**

Classification and measurement

IFRS 9 applies a new classification and measurement approach for all types of financial assets that reflects the entity's business model for managing the assets and their contractual cash flow characteristics. IFRS 9 requires financial assets to be classified into one of the following measurement categories: amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The standard eliminates the existing IAS 39 categories of held-to-maturity, loans and receivables and available for sale.

Financial assets will be measured at amortized cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and their contractual cash flows represent solely payments of principle and interest (SPPI). Financial assets will be measured at FVOCI if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and their contractual cash flows represent solely payments of principle and interest. All other financial assets will be classified at FVTPL.

An entity may at initial recognition, designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch. Furthermore, on initial recognition of an equity instrument that is not held for trading, an entity may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

Under IFRS 9, embedded derivatives in contracts where the host is a financial asset in the scope of the standard are no longer bifurcated. Instead, the hybrid financial instrument is assessed for classification as a whole.

IFRS 9 retains most of the existing requirements for financial liabilities. However, for financial liabilities designated at FVTPL, gains or losses attributable to changes in own credit risk shall be presented in OCI and shall not be subsequently transferred to profit or loss unless such a presentation would create or enlarge an accounting mismatch. Under IAS 39, all fair value changes of liabilities designated at FVTPL are recognized in profit or loss unless this would create or enlarge an accounting mismatch.

Business model assessment

The business model reflects how the Company manages the assets in order to generate cash flows. That is, whether the Company's objective is solely to collect contractual cash flows from the asset, to realize cash flows from the sale of assets, or both to collect contractual cash flows and cash flows from the sale of assets. Financial assets that are held for trading or that are managed on a fair value basis will be measured at FVTPL.

The Company's approach is to perform the business model assessment consistently with its operating model and the information provided to key management personnel. In making the above assessment the Company will consider a number of factors including:

• the stated policies and objectives for each portfolio;
• how the performance of each portfolio is evaluated and reported;
• the risks associated with the performance of the business model and how those risks are managed;
• how managers are compensated; and
• past experience on how the cash flows from those portfolios were collected, expectations about future sales activity and how the Company's stated objective for managing the financial assets is achieved.

SPPI assessment

In assessing whether the contractual cash flows are solely payments of principle and interest, the Company will consider whether the contractual terms of the instrument are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin. This will include an assessment of whether a financial asset contains a contractual term that could change the amount or timing of contractual cash flows in a way that it would not be consistent with the above condition. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset will be measured at FVTPL.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets

IFRS 9 introduces an expected credit loss (ECL) model that replaces the incurred loss model in IAS 39. The new requirements eliminate the threshold in IAS 39 that required a credit event to have occurred before credit losses were recognized and will apply to a broader population of financial instruments compared to IAS 39. The measurement of ECL will require the use of complex models and significant judgment about future economic conditions and credit behavior.

The new impairment model will apply to financial assets that are not measured at FVTPL, including loans, lease receivables, debt securities, financial guarantee contracts and loan commitments issued. No impairment loss will be recognized on equity investments.

The new standard uses a ‘three stage approach’ that will reflect changes in credit quality since initial recognition. At each reporting date, a loss allowance equal to 12-month ECL will be recognized for debt investment securities that are determined to have a low credit risk at the reporting date, and for all other financial assets for which there is no significant increase in credit risk since initial recognition. 12-month ECL are the portion of ECL that result from default events that are possible within the next 12 months after the reporting date. For financial assets that have experienced a significant increase in credit risk since initial recognition where no specific loss event has been identified, a loss allowance equal to lifetime expected credit losses will be recognized. The loss allowance for purchased or originated credit impaired financial assets will always be measured at an amount equal to lifetime ECL. Financial assets where 12-month ECL are recognized are considered to be in ‘stage-1’; financial assets which have experienced a significant increase in credit risk are in ‘stage-2’ and financial assets that are credit impaired are in ‘stage-3’. The measurement of expected credit losses will be a probability-weighted average amount that will reflect the time value of money. In measuring ECL, information about past events, current conditions and reasonable and supportable forecasts of future conditions should be considered. The new impairment model is expected to result in a higher loss allowance for the Company compared to IAS 39.

Transition

The new requirements of IFRS 9 will be applied retrospectively by adjusting the Company’s balance sheet on the date of transition on 1 January 2018. The Company intends to apply the exemption not to restate comparative figures for prior periods, therefore the Company’s 2017 comparatives will be presented on an IAS 39 basis. Moreover, the following assessments will have to be made on the basis of facts and circumstances that exist at the date of initial application:
• the determination of the business model within which a financial asset is held;
• the designation and revocation of previous designations of certain financial assets and liabilities as measured at FVTPL; and
• the designation of certain investments in equity instruments not held-for-trading as at FVOCI.

Prior year comparison

The accounting policies have been consistently applied to the years presented. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

Foreign currencies

All monetary investments and liabilities denominated in currencies other than EUR have been translated at the rates of exchange prevailing on balance sheet date. All transactions in foreign currencies have been translated into EUR at rates of exchange approximating those prevailing on the dates of the transaction. Unless otherwise indicated, any resulting exchange differences are included in the Statement of Comprehensive income. Income and expenses are translated at the rates of date of transaction.

The Company's presentation currency is the EUR being the functional currency of the parent company. Except as indicated, financial information presented in EUR has been rounded to the nearest million.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Company has control. The Company controls an entity when is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The investments in subsidiaries are accounted for at cost less any accumulated impairment losses. The Company determines at each reporting date whether there is any objective evidence that the investment in the subsidiary is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and its carrying value and recognises the amount to the profit and loss. The recoverable amount of the investment is the higher of its fair value less costs to sell and its value in use. For the further explanation please see page 19 'Subsidiaries'.

Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for at cost less any accumulated impairment losses. The Company determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount to the profit and loss. The recoverable amount of the investment is the higher of its fair value less costs to sell and its value in use.

Investment securities

Under investment securities are classified all investments over which the Company has neither significant influence nor control, generally accompanying a shareholding of below 20% of the voting rights. Investment securities are initially recognised at fair value plus transaction costs and subsequently carried at fair value. Gains and losses arising from changes in the fair value of the investment securities are recognised directly in equity, until the financial investment is derecognised or impaired at which time the cumulative gain or loss previously recognised in equity is recognised in profit or loss. The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset (debt and equity securities). If any such evidence exists the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on the financial asset previously recognised in profit and loss, is removed from equity in profit and loss.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Trade and other receivables

Trade and other receivables are amounts due from customers in the ordinary course of business and its value is assumed to be a close approximation of their fair value. Trade and other receivables are included in the current assets if collection is expected in one year or less. If not, they are presented as non-current assets.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.
Borrowings and trade and other payables are classified as current liabilities if payment is due to one year or less. If not, they are presented as non-current liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less, that is readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Provisions

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is likely to require an outflow of resources and the extent of which can be reliably estimated. Provisions are measured on the basis of the best estimate of the amounts required to settle the obligation at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

Interest income and expenses

Interest income and expenses are recognised in the income statement for all interest bearing instruments on an accruals basis, using the effective interest rate method. 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.

Dividend income is recognised when the right to receive payment is established.

De-recognition of financial assets and liabilities

A financial asset is derecognised when the contractual cash flows of the loan expire, or the Company transfers its rights to receive those cash flows in an outright sale in which substantially all the risk and rewards of ownership have been transferred. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

Non-current assets classified as held for sale

Non-current assets are classified as held for sale when the carrying amount is to be recovered through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell.

3 PRINCIPLES OF DETERMINATION OF RESULT

General

Result is determined as the difference between dividend/investment income and interest income on loans granted and interest expense from loans issued and other charges for the year. Income from transactions is recognised in the year in which it is realised.

4 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of risks. Exposure to credit, interest rate, currency and liquidity risk arises in the normal course of the Company's business. The Company's overall risk management policy focuses on the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The management considers there is no significant concentration of the following risks at the balance sheet date.

The procedures for assessing the risk are also shown below:

Credit Rating of Eurobank Group

The Company holds a large current account with Eurobank Ergasias Group (the parent company) which amounts to EUR 161,531,054 as of 31/12/2018. The parent company's (Eurobank Ergasias Group) long term rating was 'B-' at June 2018 (2016: CCC+, 2015: SD) according to the Standard & Poor's credit rating.
Eurobank's Local Currency LT credit rating was upgraded to "B+" from "B" on 27th April 2021, according to S&P Global Rating agency.
Since Eurobank S.A. is the ultimate parent entity of the Company , the Company doesn't have any specific policy in place to monitor the risk.

Interest rate risk

The interest rate applied for the year 2018 was EURIBOR plus 2%. Effective from 28 March 2017 in the event of EURIBOR is less than zero, then shall be deemed zero.
The Company analyses its interest rate exposure on a dynamic basis and simulated a scenario based upon which the Company calculates the impact of an interest rate shift on the Company's profit and loss account.

The excess of cash which the Company currently has is invested in short-term deposits, which bear a fixed interest rate for the period. Due to the fact that the deposits are agreed for a short-term period only, the risk is considered minimal.

Foreign currency risk

The Company holds several financial investments in foreign currencies. It holds bank accounts in Serbian Dinars, which have an immaterial amount in aggregate. In addition, the Company holds bank accounts in United States Dollars which is disclosed in note 11 of these financial statements. Moreover, the Company has other intercompany loans receivable in USD as disclosed in note 10 of these financial statements. Any resulting exchange differences on the items mentioned above, are included in the Statement of Comprehensive income. Foreign currency risk is continued monitored by the management and is regarded manageable.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Company also holds several participations in Eastern Europe Countries as disclosed in notes 6 and 7 of these financial statements for which there is no foreign currency risk for the Company's profit and loss account as it uses the historical cost for the valuation of its participations.

		Less than 1 year		**Over 1 year**	
As at 31 December 2018	CCY	Amount in CCY	Amount in EUR	Amount in CCY	Amount in EUR
Trade and other receivables	USD	429.624	375.219	--	--
Cash and cash equivalents	RSD	64.041	542	--	--
Cash and cash equivalents	USD	1.643.245	1.435.149	--	--
		Less than 1 year		**Over 1 year**	
As at 31 December 2017	CCY	Amount in CCY	Amount in EUR	Amount in CCY	Amount in EUR
Trade and other receivables	USD	429.624	358.231	--	--
Cash and cash equivalents	RSD	64.041	541	--	--
Cash and cash equivalents	USD	3.573.044	2.979.275	--	--

Based on an analysis of the Company's foreign currency risk and the materiality of the balances, the impact on the profit and loss account by a increase/decrease in USD rate of 10%, would cause a maximum increase/decrease of EUR 199,140 and 162,933 respectively. By comparing this same analysis on the Company's 2017 balances a shift of 10% of the USD rate, would have caused a maximum increase/decrease of EUR 300,376 and 367,126 respectively.

Foreign currency risk is continued monitored by the management and is regarded manageable.

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

4.1 Liquidity risk

Management considers liquidity risk to be minimal at this stage. The Company has a significant cash position as at year end. The Company acts as a holding company and day-to-day cash flows are limited.

The table below analyses the Company's financial liabilities into relevant groupings based on the remaining period at the balance sheet to the contractual maturity date.

As at 31 December 2018	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	Over 12 months
Liabilities:				
Loan payable	43.813.750	--	--	--
Trade and other payables	--	729.773	--	--

As at 31 December 2017	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	Over 12 months
Liabilities:				
Loan payable	43.813.750	--	--	--
Trade and other payables	--	38.127.649	--	--

4.2 Capital management

The Company actively manages capital base to cover risk inherent to the business. The Company’s objectives, when managing capital are:

• To provide an adequate level of capital so a to enable the Company to continue its operations as a going concern
• To maintain a strong capital base to support the development of its business

The Company is not required to comply with any capital requirements set by the regulators.
There have been no material changes in the Company’s management of capital during the year.

The capital of the Company is presented below:

	31 December 2018	**31 December 2017**
Issued and paid-up capital	767.728.500	767.728.500
Share premium	8.904	8.904
Reatained Earnings	65.300.927	-24.661.369
Dividend payable	-13.000.000	--
Total comprehensive income for the year	56.221.773	90.012.852
Total equity	**876.260.105**	**833.088.888**

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value of financial assets and liabilities

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 measurement date under current market conditions (i.e. an exit price). When a quoted price for an identical asset or liability is not observable, fair value is measured using valuation techniques that are appropriate in the circumstances, and maximise the use of relevant observable inputs and minimise the use of unobservable inputs. Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect assumptions that market participants would use when pricing financial instruments, such as quoted prices in active markets for similar instruments, interest rates and yield curves, implied volatilities and credit spreads.

Financial instruments not carried at fair value

The carrying amounts of loan granted to subsidiary undertakings, trade payables, trade receivables and cash and cash equivalents are assumed to approximate their fair values.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Impairment of investments

The Company follows the guidance of IAS36 to determine when an investment is impaired. An impairment loss is recognised for the amount by which the carrying amount of the investment exceeds its recoverable amount. The recoverable amount is the higher of an investment’s fair value less costs of disposal and its value in use. When an investment is impaired, the loss regarding this impairment is recognised in the profit and loss.

An impairment loss recognised in prior periods for an investment shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If this is the case, the carrying amount of the asset shall be increased to its recoverable amount which cannot be higher than the acquisition cost. That increase is a reversal of an impairment loss and is recognised immediately in profit or loss.

6 INVESTMENTS IN SUBSIDIARIES

The movements in the investments in subsidiaries are as follows:

	2018	2017
Opening balance as at 1 January	273.432.005	309.547.231
Additions	--	88.427
Transfer to the assets held for sale and discontinued operations	--	(35.635.511)
(Impairment loss) / Reversal of impairment loss	(1.911.111)	(568.142)
Balance as at 31 December	271.520.894	273.432.005

The impairment of the subsidiaries is based on the latest available management estimates on the recoverable amount.

6 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Company has shares in the following Subsidiaries which are part of the Eurobank Ergasias Group:

Name		**Ownership and voting rights**	**Cost price in euro 2018**	**Cost price in euro 2017**
1 ERB Retail Services IFN SA Romania				
	Opening balance	99,1500%	--	25.745.943
	Additions	0,1703%	--	88.317
	Transfer to the assets held for sale	-99,3203%	--	(25.834.260)
	Closing balance	--	--	--

In 4 August 2017 the Company acquired from Bancpost (ERB Group subsidiary) the 0,1703% of ERB Retail Services IFN S.A for a cash consideration of €88,3k.

Name		**Ownership and voting rights**	**Cost price in euro 2018**	**Cost price in euro 2017**
2 Eurobank Cyprus Limited Cyprus				
	Opening balance	100%	257.454.482	257.454.482
	Closing balance	100%	257.454.482	257.454.482
3 ERB Leasing IFN SA Romania				
	Opening balance	97,640%	--	9.801.142
	Additions (Share capital increase)	0,001%	--	109
	Transfer to the assets held for sale	-97,641%	--	(9.801.251)
	Closing balance	--	--	--
4 ERB New Europe Funding II B.V. The Netherlands				
	Opening balance	100%	12.000.200	12.000.200
	Closing balance	100%	12.000.200	12.000.200

6 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

5 Eurobank Finance SA **Romania**				
	Opening balance	80,35%	559.384	559.384
	Impairment loss	--	--	--
	Closing balance	80,35%	559.384	559.384
6 ERB IT Shared Services S.A. **Romania**				
	Opening balance	98,90%	3.417.938	3.986.080
	(Impairment loss) / Reversal of impairment loss	--	(1.911.111)	(568.142)
	Closing balance	98,90%	1.506.827	3.417.938
7 Bulgarian Retail Services A.D. **Bulgaria**				
	Opening balance	99,999%	1	--
	Acquisition	99,999%	--	1
	Closing balance	99,999%	1	1

In 22 December 2017 the Company acquired from Eurobank Household Lending (ERB Group Subsidiary) the 99,999% of Bulgarian Retail Services A.D. for a cash consideration of 1 Euro.

7 INVESTMENTS IN ASSOCIATES

The movements in the investments in associates are as follows:	**Cost price in euro 2018**	**Cost price in euro 2017**
Opening balance as at January 1,	464.014.842	466.745.080
Additions	--	2
Transfer to the assets held for sale and discontinued operations	--	(12.868.758)
(Impairment loss) / Reversal of impairment loss	20.756.393	10.138.518
Balance as at December 31,	484.771.235	464.014.842

The impairment test is based on the latest available management estimate on the recoverable amount.

The Company has shares in the following Associates:

Name		**Ownership and voting rights**	**Cost price in euro 2018**	**Cost price in euro 2017**
1 Eurobank A.D. Beograd **Serbia**				
	Opening balance	42,74%	186.454.249	179.680.681
	(Impairment loss) / Reversal of impairment loss	--	2.278.822	6.773.568
	Closing balance	42,74%	188.733.071	186.454.249

The reversal of impairment for 2018 is based on the latest available management estimate on the recoverable amount. During 2018 Eurobank A.D. Beograd Serbia has managed to achieve a net profit of € 20 million and increase its total equity to an amount of € 446 million. Profitable performance has continued during 2019, a fact that has been also taken into consideration for the estimation of the recoverable amount.

7 INVESTMENTS IN ASSOCIATES (CONTINUED)

Name		Ownership and voting rights	Cost price in euro 2018	Cost price in euro 2017
2 ERB Leasing A.D. Beograd Serbia				
	Opening balance	32,99%	264.899	510.000
	(Impairment loss) / Reversal of impairment loss		--	(245.101)
	Closing balance	32,99%	264.899	264.899

During 2017, Company's participation in ERB Leasing AD Beograd decreased from 48,63% to 32,99% following a share capital increase, in favor of Eurobank.

3 Bancpost SA Romania				
	Opening balance	5,37%	--	12.868.758
	Transfer to the assets held for sale	-5,37%	--	(12.868.758)
	Closing balance	--	--	--

The impairment is based on the latest available management estimate on the recoverable amount.

4 Eurobank Bulgaria AD Bulgaria				
	Opening balance	43,85%	277.295.688	273.685.637
	Reversal of impairment loss	--	18.477.571	3.610.051
	Closing balance	43,85%	295.773.259	277.295.688

The reversal of impairment for 2018 is based on the latest available management estimate on the recoverable amount. During 2018 Eurobank Bulgaria A.D. has managed to achieve a net profit of € 85 million and increase its total equity to an amount of € 644 million. Profitable performance has continued during 2019, a fact that has been also taken into consideration for the estimation of the recoverable amount.

5 IMO Property Investments Bucuresti S.A. Romania				
	Opening balance	0,001%	1	--
	Acquisition	0,001%	--	1
	Closing balance	0,001%	1	1

In 02 November 2017 the Company acquired from CEH Balkan Holdings Ltd (ERB Group subsidiary) the 0,001% of IMO Property Investments Bucuresti S.A for a cash consideration of 1 Euro.

6 IMO II Property Investments S.A. Romania	Opening balance	0,010%	1	--
	Acquisition	0,010%	--	1
	Closing balance	0,010%	1	1

In 2 November 2017 the Company acquired from CEH Balkan Holdings (ERB Group Subsidiary) Ltd the 0,01% of IMO II Property Investments S.A for a cash consideration of 1 Euro.

8 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Group Operations in Romania

The Company has shares in the following Investments held for sale:

		Ownership and voting rights	Cost price in EUR 2018	Cost price in EUR 2017
1 Bancpost SA Romania				
	Opening balance	5,37%	10.468.758	--
	Transfer from associates	0,00%	--	12.868.758
	Impairment loss	--	--	(2.400.000)
	Share Capital Decrease	--	(2.712.850)	
	Disposal	-5,37%	(7.755.908)	
	Closing balance	0,00%	0	10.468.758

		Ownership and voting rights	Cost price in EUR 2018	Cost price in EUR 2017
2 ERB Retail Services IFN SA Romania				
	Opening balance	99,3203%	25.834.260	--
	Transfer from subsidiaries	99,3203%	--	25.834.260
	Disposal	-99,3203%	(25.834.260)	
	Closing balance	0,0000%	0	25.834.260

		Ownership and voting rights	Cost price in EUR 2018	Cost price in EUR 2017
3 ERB Leasing IFN SA Romania				
	Opening balance	0,000%	6.801.360	--
	Transfer from subsidiaries	97,641%	--	9.801.251
	Additions	0,001%	--	109
	Impairment loss	--	--	(3.000.000)
	Disposal	-97,642%	(6.801.360)	
	Closing balance	0,000%	0	6.801.360

On 15 September 2017, Eurobank announced that has entered into negotiations with Banca Transilvania with regards to the potential sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group). The sale was considered highly probable; therefore the Romanian disposal group was classified as held for sale in the Company's financial statements.

Following the classification of the disposal group as held for sale, in accordance with IFRS5, management has measured it at the lower of its carrying amount and the fair value less costs to sell. The determination of fair value less costs to sell was determined based on the terms of the aforementioned agreement with BT. In the above context the Group is closely monitoring the developments of all the related issues and is in the process of analyzing the potential implications that may affect its legal rights and obligations, including those arising under the SPA with BT (see also "Post balance sheet events", Note 19).

On 24 November 2017, the Bank announced that it has reached an agreement with Banca Transilvania to sell the shares in Romanian disposal group. On 3 April 2018, the Group disposed the Romanian disposal Group, after all regulatory approvals were obtained.

The consideration of the transaction reached € 56,44 million, in addition to the € 24,71 million special dividend and € 2.71 million capital return received in 2017 and in the first quarter 2018, respectively. The consideration is subject to adjustments following the finalization of the completion statements of Romanian disposal group and the fulfillment of certain conditionalities as per the aforementioned agreement with Banca Transilvania.

Following the above, an amount of € 15 million profit after tax has been recognized in the income statement for the period ended 31 December 2018.

	2018	2017
Impairment loss on investments in subsidiaries and associates	--	(5.400.000)
Other expenses	(1.000.000)	(1.102.998)
Dividend income	--	24.710.692
Cash proceeds from disposal	56.440.947	
Derecognition of Group Operations in Romania	(40.391.528)	
Net (loss)/profit from discontinued operations	15.049.419	18.207.694

9 TRADE AND OTHER RECEIVABLES

As at 31 December 2018, this item can be detailed as follows:

Name	CCY	Amount in CCY	2018	2017
EFG International Bermuda Ltd			1	1
EFG Investment II (UK)	USD	429.624	375.218	358.231
* Income tax receivable			441.797	441.797
			817.016	800.029

* Note 14 of the financial statements provides a detailed breakdown of the Income tax receivable.

No change in the carrying amounts and the classifications of financial assets upon transition to IFRS 9 as of 1 January 2018.

10 CASH AND CASH EQUIVALENTS

Cash at banks

As at December 31, 2018, this item can be detailed as follows:

Description	CCY	Amount in CCY	Rate	2018	2017
Current accounts	USD	1.643.245	0,87336	1.435.149	2.979.275
Current accounts	RSD	64.041	0,00846	542	541
Current accounts	EUR			163.309.351	131.599.212
Impairment due from other credit institutions	EUR			-50.557	--
				164.694.485	134.579.027

All Cash and Cash equivalents is at free disposal of the Company.

For the purpose of the transition to IFRS 9, the Company carried out an assessment to determine any potential changes to the classification and measurement. The assessment has been performed based on the facts and circumstances that existed at the date of initial application i.e. 1 January 2018. The table below discloses the changes in the carrying amounts of financial assets upon transition to IFRS 9 as of 1 January 2018.

	IAS 39		Remeasurement		IFRS9	
Financial assets	**tegory**	**Amount**	**ECL**	**Oher**	**Amount**	**Category**
Cash and cash equivalents	Loans and receivables					Amortised cost
Closing balance 31.12.2017		134.579.027				
Remeasurement			**-50.557**			
Opening Balance 01.01.2018		**134.579.027**	**-50.557**		**134.528.470**	

11 EQUITY

The Company's authorised share capital amounts to EUR 1,000,000,000 and consists of 1,000,000 ordinary shares with a nominal value of 1,000 each. On 29 June 2015 the nominal value of the ordinary shares has been decreased from the original nominal value of EUR 1,000 with EUR 55.52 each, resulting in the new nominal value of EUR 944.48 per share. In order to decrease the negative reserve, the Company made a set off on 29 June 2015 of the share premium for the amount of EUR 401.027.926 against the negative reserve of EUR 448.215.769 which was in the books as at 29 June 2015. The remainder repayment of the negative reserve has been facilitated by decreasing the nominal value of the shares. As at December 31, 2016, 850,000 shares were issued and fully paid-up. As at 18 September 2017 the Share Capital of the Company was decreased by the total amount of EUR 35.079.500 from EUR 802.808.000 to 767.728.500, by decreasing the nominal value of each share in the capital of the Company from EUR 944.48 to EUR 903.21. As at 31 December, 2018, 850,000 shares were issued and fully paid-up (as at 31 December, 2017, 850,000 shares were issued and fully paid-up). For the movements in the Equity we refer to the Statement of changes in Equity on page 8 of this report.

12 LOAN PAYABLE

As at December 31, 2018, the Company's outstanding borrowings are detailed as follows:

Name	Description	CCY	2018	2017
Eurobank Private Bank Luxemburg S.A.	Loan	EUR	43.813.750	43.813.750
Eurobank Private Bank Luxemburg S.A.	Interest	EUR	--	--
			43.813.750	43.813.750

The interest rate applied for the year 2018 was EURIBOR plus 2%. Effective from 28 March 2017 in the event of EURIBOR is less than zero, then shall be deemed zero.
No change in the carrying amounts and the classifications of financial assets upon transition to IFRS 9 as of 1 January 2018.

13 TRADE AND OTHER PAYABLES

As at December 31, 2018, this item can be detailed as follows:

Name	Description	2018	2017
Eurobank Ergasias S.A.	Dividend to be paid	--	37.866.723
Other provisions	General and admin. expenses	1.000.000	--
Trade and other payables	General and admin. expenses	729.773	260.925
		1.729.773	38.127.649

14 CORPORATE INCOME TAX CREDIT

For the year ended December 31, 2018, this item can be detailed as follows:

	2018
Profit for the year	56.221.773
- Realized result parcitipation due to sale	-11.248
- Unrealized Negative result from foreign participations	-18.845.282
Fiscal profit computation	37.365.243
- Participation exemption*	(38.194.202)
Taxable amount	**(828.959)**
Corporate Income Tax paid during 2018	--
Corporate Income Tax received from previous years	--
Corporate Income Tax position 2018	--

The nominal Corporate income tax rate in the Netherlands is 20% for the first EUR 200,000 and the remaining taxable result 25%.
*The participation exemption applies to dividends received from subsidiaries/associates and sale of subsidiaries/associates.

14 CORPORATE INCOME TAX CREDIT (CONTINUED)

The movements in the Corporate Income tax receivable / (payable) are as follows:

	2018	**2017**
Opening balance	441.797	441.797
Tax carry back refund	--	--
Payments made/ (receipts) during the year relating to previous years	--	--
Withholding tax on interest (reclaimable)	--	--
Balance as at December 31, 2018	441.797	441.797

The Company has fiscal tax loss available to carry forward as at 31 December 2018 amounting to € 9,248,782. No relevant deferred tax asset has been recognised since management does not expect that the Company will have adequate future taxable profits.

15 RELATED PARTY TRANSACTIONS

The Bank's shareholding structure

Eurobank Ergasias Services and Holdings S.A. (Eurobank Holdings) is the parent company of Eurobank S.A. (the Bank). The Board of Directors (BoD) of Eurobank Holdings is the same as the BoD of the Bank and part of the key management personnel (KMP) of the Bank provides services to Eurobank Holdings according to the terms of the relevant agreement between the two entities.

As at 30 June 2022, the percentage of the Company's ordinary shares with voting rights held by the Hellenic Financial Stability Fund (HFSF) stands at 1.40%. The HFSF is considered to have significant influence over the Company pursuant to the provisions of the Law 3864/2010, as in force and the Tripartite Relationship Framework Agreement (TRFA) between the Bank, the Company and the HFSF signed on 23 March 2020 and amended on 3 February 2022. Fairfax Group, which holds 33% of Eurobank Holdings voting rights as of 30 June 2022 (31 December 2021: 33%), is considered to have significant influence over the Eurobank Holdings.

The dividend income from continued operations amounting to EUR 10,000,000 million by its subsidiary New Europe Funding II B.V. and EUR 13,156,031 by its subsidiary Eurobank Bulgaria A.D.

15 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Cash and cash equivalents (Eurobank Ergasias S.A.)

Description	**Closing balance 2018**	**2017**
Current accounts held with subsidiaries / associates	1.778.839	3.123.514
Current accounts held with shareholder / parent entity	162.966.203	131.455.513
	164.745.042	134.579.027

(b) Loan payable (Eurobank Private Bank Luxembourg S.A.)

Description	**Closing balance 2018**	**2017**
Loan payable	43.813.750	43.813.750
	43.813.750	43.813.750

(c) General and administrative expenses

Description	**Closing balance 2018**	**2017**
Dividend payable (Eurobank Ergasias S.A.)	--	37.866.723
	--	37.866.723

(d) Financial income and expenses

Description	**Closing balance 2018**	**2017**
Interest (loss) Income on subordinated loan with subsidiary (Public J.S.C. Universal Bank, Ukraine)	-	(800)
Interest income on deposit account held with shareholder (Eurobank Ergasias S.A.)	2.664	2.885
Dividend income from continuing operations (Eurobank Cyprus Ltd.)	--	50.000.000
Dividend income from continuing operations (New Europe Funding II B.V.)	10.000.000	--
Dividend income from continuing operations (Eurobank Bulgaria A.D.)	13.156.031	13.156.031
Dividend income from discontinued operations (ERB Retail Services IFN SA)	--	24.710.692
Interest expense on loan payable to group company (Eurobank Private Bank Luxembourg S.A.)	(893.314)	(1.047.090)
	22.265.381	86.821.718

16 OTHER INFORMATION ON GENERAL AND ADMINISTRATIVE EXPENSES

During the year under review the Company did not have any employees. Hence, it did not pay any wages and related social security contributions.

The audit fees of EUR 15,000 (2017: EUR 16,000) comprises the fees of external independent auditor KPMG for the statutory audit of the financial statements. The external independent auditor has not charged any fees relating to other assurance related services, tax, consulting or any other consulting services.

17 CONTINGENT LIABILITIES, LITIGATIONS AND COMMITMENTS

No contingent liabilities, litigations or commitments that would affect the financial statements of the entity are outstanding as at 31 December 2018 (2017: nil). No off balance sheet contractual commitments or obligations, affecting the financial statements, have occurred to date.

18 DIRECTORS

During the year under review, the Company had four Managing Directors, who received no remuneration during the current or the previous financial year. The Company has no Supervisory Directors.

19 OTHER INFORMATION

Position of Eurobank Group

The Management taking into consideration the below factors has been satisfied that the financial statements of the Company can be prepared on a going concern basis.

Macroeconomic environment

The Company operates in an environment of positive growth rates both in Greece and the other countries, in which it has a substantial presence. In 2019, real GDP for Greece (Group's main market) is expected to grow by 2.1% according to the July 2019 forecast by European Commission (2018: 1.9%, according to the Hellenic Statistical Authority's (ELSTAT)). Based on ELSTAT and Ministry of Finance data, the unemployment rate in April 2019 was at 17.6% (April 2018: 19.8%) and the 2018 fiscal primary surplus was at 4.3% of GDP. The Stability Programme's fiscal primary surplus forecast for 2019 is at 4.1% of GDP.

In August 2018, Greece concluded successfully the third economic adjustment program (TEAP) and has entered into the Enhanced Post Program Surveillance (EPPS) under EU Regulation 472/2013, which foresees quarterly reviews by the competent committees of the institutions (EC/ECB/ESM/IMF). The post program surveillance's main purpose is to safeguard financial stability, and continue the process of implementation of structural reforms aiming, among others, to boost domestic growth, jobs creation and to modernize the public sector. So far, Greece has completed the first three consecutive reviews, the last of them was completed in early June 2019. The conclusion of the fourth review is expected in mid-September 2019. On 5 April 2019, the Eurogroup endorsed the release of the first set of policy-contingent debt measures of € 970 million. In the first half of 2019, the Greek sovereign established market access with the successful issuance of a 5-year bond of € 2.5 bn at a yield of 3.6% on 29 January 2019, a 10-year bond of € 2.5 bn at a yield of 3.9% on 6 March 2019 and a 7-year bond of €2.5 bn at a yield of 1.9% on 16 July 2019.

The main risks and uncertainties in Greece are associated with (i) the adherence to established reforms and the unimpeded implementation of the reforms and privatisations' agenda in order to meet the ES targets and milestones, (ii) the impact on the level of economic activity and on the attraction of direct investments from the fiscal and social security-related measures agreed under the reviews of the TEAP and the ES, (iii) the ability to attract new investments in the country and (iv) the geopolitical and macroeconomic conditions in the near or in broader region, including the impacts of a persistent low/negative rates' environment and the external shocks from a slowdown in the regional and/ or global economy. Materialization of those risks would have potentially adverse effects on the liquidity, solvency and profitability of the Greek banking sector. The Group monitors closely the developments in the Greek and regional macroeconomic environment taking into account its direct and indirect exposure to sovereign risk.

Liquidity risk

In 2018, the expectations for a further improvement of the macroeconomic environment in Greece has enhanced Greece's credibility towards the international markets, improved the domestic economic sentiment and facilitated the return of deposits. The prompt implementation of the post-program period's reforms scheme will help further reinstating depositors' confidence, will accelerate the access to the markets for debt issuance and positively influence the financing of the economy.
As at 31 December 2018, the Bank's dependency on Eurosystem financing facilities decreased to € 2.1 bn (of which € 0.5 bn funding from ELA), mainly due to deposits inflows, assets deleveraging, increased market repos on Greek Government securities and two asset backed securities issues sold via a private placement to an international institutional investor (31 December 2017: € 10 bn, of which € 7.9 bn from ELA). As at 28 February 2019, the Group has eliminated the use of ELA funding while the total Eurosystem funding further declined to € 1.3 bn. In addition, the increase of deposits by more than € 5 bn in 2018 improved the Group's (net) loans to deposits (L/D) ratio to 92.6% end of December 2018 from 109.6% end of 2017.

Solvency risk

On 5 May 2018, the ECB announced the results of the Stress Test (ST) for the four Greek systemic banks, including Eurobank. Based on feedback received by the Single Supervisory Mechanism (SSM), the ST outcome pointed to no capital shortfall and no capital plan needed for the Bank as a result of the exercise.

The Group's Common Equity Tier 1 (CET1) ratio stood at 14.2% at 31 December 2018, and the net profit attributable to shareholders amounted to € 91 million (€ 200 million net profit from continuing operations before € 44 million restructuring costs, after tax) for the year ended 31 December 2018. As at 31 December 2018, the Bank has reduced the stock of NPEs by € 2.8 bn since 31 December 2017 to € 15.3 bn which is in line with the revised target submitted to SSM in September 2018.

Following the merger with Grivalia, which was completed in May 2019, Eurobank's capital was further enhanced, leading the total CAD and the CET1 ratios to 18.4% and 15.9% respectively as at 30 June 2019. In addition, at the end of June 2019, the Bank reached a binding agreement for the sale of 95% of the mezzanine and junior notes of a securitization of a residential mortgage loan portfolio of ca. € 2 bn gross book value (project Pillar comprising primarily NPEs) which represents the second significant milestone of the Bank's frontloaded plan for derisking its balance sheet. As at 30 June 2019 and taking into account the above transaction, the Group NPEs at amortized cost have been reduced to € 14.3 bn, driving the NPE ratio to 32.8%.

19 OTHER INFORMATION (CONTINUED)

Going forward, the Bank is in process of completing the next two steps of its plan, specifically, a) the sale of 20% of the mezzanine and junior notes of a securitization of a mixed assets portfolio of NPEs with a gross book value of ca. € 7.5 bn (Project Cairo) and b) the sale of a majority stake in Financial Planning Services S.A. (FPS), the licensed 100%-owned loan servicer of Eurobank.

Operations in Romania classified as held for sale

On 15 September 2017, Eurobank announced that has entered into negotiations with Banca Transilvania with regards to the potential sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group). The sale was considered highly probable, therefore the Romanian disposal group was classified as held for sale in the Company's financial statements. On 24 November 2017, the Bank announced that it has reached an agreement with Banca Transilvania to sell the shares in Romanian disposal group. On 03/04/2018, the Group disposed the Romanian disposal Group, after all regulatory approvals were obtained and the Company received a cash consideration amounting to €56,4 million.

Post balance sheet events

On 4 April 2018, the Bank announced the completion of the sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group) to Banca Transilvania.

According to the tax audit assessment communicated to Bancpost S.A. within July 2018, following the completion of the tax audit for the years 2011-2015, the additional taxes to be paid amount in total to € 40 million, approximately. The said taxes result from the imposition of additional withholding taxes of € 30 million (including surcharges of € 10 million) and additional corporate income tax of € 10 million deriving from both the disallowance for tax deduction of certain expenses and the recognition of deemed taxable income. According to the SPA, the Purchaser could claim, subject to certain limitations on the total claim, from the Seller the tax liabilities that will be assessed by a tax authority as a result of a Tax audit covering all tax matters in respect of all open (non-expired) taxable periods of Bancpost S.A. until the completion of the transaction. In respect of the above, Eurobank has recognized a provision of € 15 million in the income statement. The Group is in communication with Bancpost S.A. and BT, which are in the process of challenging the tax audit assessment.

In addition in the second half of 2018, the Romanian National Authority for Consumer Protection (ANPC) imposed three fines totaling € 72 thousand and additional remedy measures on Bancpost S.A. in connection with complaints raised by certain Bancpost S.A. lending clients, related to portfolios of performing loans which were assigned by Bancpost S.A. to ERB New Europe Funding II (an entity in the Netherlands controlled by Eurobank) in 2008. The ANPC has challenged the capacity of NEF II to acquire the loan receivables from Bancpost S.A. and of certain alleged breaches of consumer protection laws. Furthermore, the ANPC concluded that payments by the consumers such as interests, fees, penalties in relation to all loans assigned to NEF II were illegally cashed in by NEF II for a period of ten years and should be reimbursed by Bancpost S.A. The SPA provides for an indemnity in respect of losses incurred from claims made against the Purchaser or Bancpost S.A. in relation to loans and receivables of the above perimeter. Bancpost S.A. is in the process of challenging the ANPC minutes.

In 2019 the first instance court admitted BT's complaints (as legal successor to Bancpost S.A.) against ANPC in all three aforementioned cases, ruling that the relevant penalties and remedy measures imposed on Bancpost S.A. (in the meantime merged into BT) are cancelled. ANPC already appealed against the first instance rulings in two of the cases and it is expected ANPC will appeal against the first instance ruling also in the third case.

On 27 December 2019 the Company made a dividend distribution in the amount of EUR 100,000,000 from the respective retained earnings and profit of the current financial year, to the Shareholder of the Company Eurobank Ergasias S.A.

On 7 April 2019 the Company made the share transfers of the shares remained in the possession of Eurobank Bulgaria , following their acquisition (buy back) by Eurobank Bulgaria A.D. for the purpose of the merger with Piraeus Bank Bulgaria and the shares of the minority Shareholder.

Other events

In February 2018, the reduction of Bancpost S.A. share capital by decreasing the nominal value per share was completed and resulted in the decrease of NEH's holding to the company by EUR 2,7 million.

On 9 January 2018, the Company distributed the interim dividend amounting to EUR 37,87 million to its sole shareholder, Eurobank Ergasias S.A.

On 4 April 2018, the Bank announced the completion of the sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group) to Banca Transilvania.

On 4 April 2018, the Bank announced the completion of the sale of Bancpost S.A., ERB Retail Services IFN S.A. and ERB Leasing IFN S.A. in Romania (Romanian disposal group) to Banca Transilvania.

19 OTHER INFORMATION (CONTINUED)

COVID-19 developments

During 2020 and the first quarter of 2021, the outbreak of Covid-19 pandemic and the measures adopted to contain the virus expansion defined the economic environment in Greece and globally. More specifically, the Covid-19 pandemic posed substantial uncertainties and risks for both the macroeconomic environment and the ability of numerous businesses to operate under the restrictive measures, including countywide and local lockdowns, adopted to contain the virus expansion.

The extent to which COVID-19 impacts our business will depend on future developments, which are highly uncertain and cannot be predicted at this point in time.

We are closely monitoring the situation and its potential impact on our business, and we do not expect a material one. The Company follows guidance from the local health authorities and adheres to the requirements and actions as implemented by the Cypriot government. The Company is proactively executing risk strategies to mitigate the potential adverse impact on the Company's employees and operations.

Current conflict between Russia and Ukraine developments

The current geopolitical upheaval caused by the Russian invasion in Ukraine in February 2022 has resulted in the deterioration of the macroeconomic outlook for the European and Greek economy, which are now confronted with a slowdown in growth and an increase in inflation.
Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows:

the ongoing Russian - Ukraine war, 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 of the disruptions in the global supply chain, which have been exacerbated by the war in Ukraine, the mobility restriction measures in China and the imbalances in the production process in many industries due to the Covid-19 outbreak, (c) a prolongation and/or exacerbation of the ongoing inflationary wave, especially in the energy and food sectors, and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, (d) the ongoing and potential upcoming increases in the interest rates worldwide, and in the Euro Area in particular, that may exert upwards pressures on sovereign and private borrowing costs and lead economies to slow down or recession, (e) the actual size and duration of the current and potentially new fiscal measures aimed at alleviating the impact of rising energy prices and living costs, and their impact on the long-term sustainability of the country's public debt, (f) the impact of the withdrawal of the temporary support measures on growth, employment and the continual service of household and corporate debt, (g) the prospect of the so-called "twin deficits" (i.e. fiscal and current account deficit) becoming more structural, although currently they appear to be more a repercussion of the pandemic and the energy crisis, (h) the evolution of the Covid-19 pandemic and its repercussions at a national and worldwide scale, and the probability of emergence of new Covid-19 variants that could further impact economic growth, fiscal balance and international trade, (i) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (j) the implementation of the structural reforms and privatizations' agenda in order also to meet the RRF targets and milestones, (k) the geopolitical developments in the near region, and (l) 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, asset quality, solvency and profitability of the Greek banking sector. The Russian invasion in Ukraine poses uncertainties in global economy and international trade with far-reaching and long-term consequences. However, the risks coming from the 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 or Ukrainian assets, is continuously monitoring the developments on the macroeconomic and geopolitical fronts as well as the evolution of its asset quality KPIs 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 in accordance with the business plan for 2022-2024.

There were no other material events after the reporting period, which have a bearing on the understanding of the financial statements.

Notes to the Financial Statements as at 31 December 2018
(in EUR)

Appropriation of result

The profit sustained by the Company during the year under review will be credited to the retained earnings. This proposed appropriation of the result has not been reflected in these financial statements and is subject to the approval of the General Meeting of Shareholders.

The Board of Managing Directors,

C. Koukoutsaki

S. Psychogios

L.P. Elstershamis

R. Wemmi

Amsterdam, 20 October 2022

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To the Shareholders of
ERB New Europe Holding B.V.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of ERB New Europe Holding B.V. (the "Company") which comprise the Balance Sheet as at 31 December 2018, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of ERB New Europe Holding B.V. as at 31 December 2018 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the ethical requirements that are relevant to the audit of the financial statements and we have fulfilled our ethical responsibilities in accordance with the requirements of the applicable legislation and the aforementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The Financial Statements of the Company for the prior year ended 31 December 2017 were audited by another Audit Firm, for which the Certified Auditor issued an audit report on 8 February 2019 expressing an unmodified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, but does not include the Financial Statements and our auditors' report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this respect.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Athens, 26 October 2022

KPMG Certified Auditors S.A.