ERB NEW EUROPE HOLDING B.V.

Amsterdam, the Netherlands

FINANCIAL STATEMENTS 2022

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 2022.

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 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.). As of 1 January 2023 the Company changed its address to Strawinskylaan 569, 1077 XX, Amsterdam, The Netherlands.

ERB New Europe Holding B.V. is part of and acts as a holding Company for investments within Eurobank S.A. 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 financial statements have been prepared on the basis that the Company will not continue as a going concern, since its Board of Directors intent to liquidate the Company. Nevertheless, the preparation on this basis did not have any significant effect on the Company's accounting policies which continue to be in accordance with IFRSs and had no impact on the amounts in its financial statements, given that from the year end 2023 all its shareholdings have been transferred within Eurobank Holding Group without any haircut.

Macroeconomic environment

In 2024, despite the challenging international environment, the macroeconomic backdrop was supportive in the Group's three core markets. In particular, the economies of Greece, Bulgaria and Cyprus remained in expansionary territory, overperforming most of their European Union (EU) peers. According to the Hellenic Statistical Authority (ELSTAT) provisional data, the real GDP of Greece expanded by 2.3% on an annual basis in the first nine months of 2024 – versus 0.5% in the euro area (Eurostat) – driven by household consumption and the buildup of inventories. The average annual inflation rate based on the Harmonized Index of Consumer Prices (HICP) decreased to 3.0% in 2024 from 4.2% in 2023, while the average monthly unemployment rate declined to 10.1% in 2024, from 11.1% in 2023, dropping to a 15-year low. In its Autumn Economic Forecasts (November 2024), the European Commission (EC) expects real GDP in Greece to grow by 2.1% in 2024 and 2.3% in 2025 (2023: 2.3%). The HICP growth rate is expected to decelerate to 2.4% in 2025 and the unemployment rate to drop to 9.8%, respectively. On the fiscal front, the EC expects a primary surplus of 2.9% of GDP in 2024 and 2025, up from 2.1% of GDP in 2023. The gross public debt-to-GDP ratio, following a sizeable increase in nominal GDP due to the combination of real GDP growth and inflation, is expected to decline to 153.1% in 2024 and 146.8% in 2025, from 163.9% in 2023.

In 2024, the Greek government raised € 9.55 billion from the international financial markets through the Public Debt Management Agency (PDMA) by issuing two new bonds (a 10-year bond at a yield of 3.478% in January and a 30-year bond at a yield of 4.241% in April), and re-opening eleven past issues with maturities of 5 and 10 years. At the end of 2024, the cash reserves of the Greek government stood close to € 33 billion. Following a series of sovereign rating upgrades in the second half of 2023, the Greek government's long-term debt securities were considered investment grade by four out of the five Eurosystem-approved External Credit Assessment Institutions (DBRS: BBB(low), positive outlook, Fitch: BBB-, stable outlook; Scope: BBB, stable outlook; S&P: BBB-, positive outlook), and one notch below investment grade by the fifth one, Moody's (Ba1, positive outlook) as of 31 December 2024. On monetary policy developments, after ten rounds of interest rate hikes in 2022 and in 2023 and on the back of an improved inflation outlook, the European Central Bank (ECB) implemented five interest rate cuts from June 2024 to January 2025, lowering its deposit facility rate by 125 basis points in total.

Position of Eurobank Group (continued)

Regarding the outlook for the next 12 months, the major macroeconomic risks and uncertainties in Greece and our region are associated with: (a) the geopolitical tensions caused primarily by the war in Ukraine and the fragile situation in the Middle East, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy (b) an interruption or even a reversal of the disinflationary trend observed in the past 24 months and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, as well as any potential social and/or political ramifications this may entail, (c) the timeline of the potential further interest rate cuts by the ECB and the Federal Reserve Bank, as persistence on high rates for longer may keep exerting pressure on sovereign and private borrowing costs and certain financial institutions' balance sheets, but early rate cuts entail the risk of a rebound in inflation, (d) the prospect of Greece's and Bulgaria's major trade partners, primarily the euro area, remaining stagnant or even facing a temporary downturn, (e) the elevated political and economic uncertainty stemming from the international and trade policy decisions of the new administration in the United States, (f) the persistently large current account deficit that seems to become once again a structural feature of the Greek economy,(g) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the countries of presence, especially in Greece, (h) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience and (i) the exacerbation of natural disasters due to the climate change and their effect on GDP, employment, fiscal balance and sustainable development in the long run.

Materialization of the above risks 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. In this context, the Group's Management and Board are continuously monitoring the developments on the macroeconomic, financial and geopolitical fronts as well as the evolution of the Group's asset quality and liquidity KPIs and have maintained a high level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group's capital, asset quality and liquidity standing as well as the fulfilment, to the maximum possible degree, of its strategic and business goals in accordance with the Parent Company's group business plan for 2025 - 2027.

Position of Eurobank Group (continued)

Solvency risk

In the year ended 31 December 2024, the Eurobank S.A. Group's net profit attributable to shareholders amounted to € 1,458 million (2023: € 1,148 million). Eurobank S.A. Group, which comprises the major part of Eurobank Holdings Group, is not separately supervised for capital adequacy purposes. As at 31 December 2024, the Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios of Eurobank Holdings Group, including the impact of the distribution of cash dividend to shareholders approved by the AGM in July 2024 and the inclusion of Hellenic Bank group in the Company's consolidated financial statements, stood at 19.5% (31 December 2023: 19.4%) and 16.8% (31 December 2023: 16.9%) respectively. Pro-forma with the dividend accrual to be distributed to shareholders in 2025 (subject to regulatory approval), the completion of project "Solar" as well as the confirmation by ECB, of the significant risk transfer (SRT) recognition for the "Leon" loan portfolio and the project "Wave VI", the total CAD and CET1 ratios, as of 31 December 2024, would be 18.5% and 15.7% respectively (note 4 in the consolidated financial statements of Eurobank Holdings).

With regard to asset quality, the Group's NPE formation, including the impact of Hellenic Bank, was positive by € 222 million during the year (fourth quarter 2024: € 47 million positive), (2023: € 138 million positive). In total, the Group's NPE stock, including the impact of Hellenic Bank, stood at € 1.5 billion, excluding the € 0.2 billion NPE of Hellenic Bank covered by the Asset Protection Scheme (APS) (31 December 2023: € 1.5 billion), driving the NPE ratio to 2.9% at 31 December 2024 (31 December 2023: 3.5%), while the NPE coverage ratio improved to 88.4% (31 December 2023: 86.4%).

In terms of liquidity, as at 31 December 2024, the Group deposits, including the impact of the Hellenic Bank consolidation that added € 15.8 billion, stood at € 78.9 billion (31 December 2023: € 57.8 billion). The funding from the targeted long term refinancing operations of the ECB – TLTRO III programme was fully repaid during the year (31 December 2023: € 3.8 billion) (note 31), while the Group's debt securities in issue, increased by € 2.3 billion. The Liquidity Coverage ratio (LCR) has increased to 188.2% (31 December 2023: 178.6%) for Eurobank Holding group, while stands at 180.5% (2023: 191.1%) for the Bank. In the context of the 2024 ILAAP (Internal Liquidity Adequacy Assessment Process), the liquidity stress tests results indicated that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios regarding the short term (1 month), the 3-month and the medium-term horizon (1 year). On 18 December 2024, the Board of Directors of Eurobank Holdings decided the initiation of the merger process of Eurobank Holdings with the Bank through absorption of the former by the latter, in order that operational efficiencies and a leaner group structure be achieved. The merger will be completed subject to all necessary by Law approvals.

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 4 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

On 01/04/2025, Fitch Ratings has upgraded Eurobank S.A.'s(Eurobank; OpCo) and Eurobank Ergasias Services and Holdings S.A. (HoldCo) Long-Term Issuer Default Ratings (IDRs) to 'BBB-' from 'BB+', and Viability Ratings (VRs) to'bbb-' from 'bb+'. The Outlooks on the Long-Term IDRs are Stable.

Outlook

There were no changes in the nature of the activities of the Company in 2022 and no changes took place untill the date of signing.

Current year results

During the year under review the Company recorded a profit of EUR 337.715.813. In the previous financial year (2021) a loss recorded amounted EUR 13.601.433.

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.

Fairfax Group ("Fairfax") is considered to have significant influence over Eurobank Holdings and accordingly over the Bank. Following the changes in Eurobank Holdings' share capital in the third quarter of 2024, Fairfax held 33.29% of Eurobank Holdings' total number of voting rights as at 31 December 2024 (31 December 2023: 32.93%), based on the latest notification that the Eurobank Holdings had received from the entity. On 7 February 2025 Eurobank Holdings announced that further to its announcement dated 23 January 2025, it has been informed by the entity that following the completion of the sale of 80 million shares of Eurobank Holdings, Fairfax holds 32.89% of the latter's share capital and voting rights.

Position of Eurobank Group (continued)

Post balance sheet events

On 01/01/23 the Company changed its address to Strawinskylaan 569, 1077 XX, Amsterdam, The Netherlands.

On 02/03/23, Eurobank S.A. announced that it has signed binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of Eurobank Direktna in Serbia (the "Transaction"). The Transaction values 100% of Eurobank Direktna at € 280 million and is expected to be completed within year 2023, subject to customary regulatory and other approvals.

On 02/11/23, following the announcement dated 02/03/2023, Eurobank S.A. announced that the sale of its Serbian subsidiary Eurobank Direktna to AIK Banka a.d. Beograd ("AIK") was completed on November 2, 2023, following the receipt of the approvals by all competent regulatory authorities ("Transaction"). Eurobank Direktna is owned by Eurobank Holdings (70%) and former Direktna Banka shareholders (30%). The cash consideration for the 70% stake owned by Eurobank amounted to ca. € 198m.

On 25/7/23 Company's Board of Directors resolved to decrease the Company's issued capital with repayment to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 491.002.500.

On 18/7/23 Eurobank Group resolved to proceed with transfer of all ERB New Europe Holding (NEH) B.V. shareholdings to Eurobank SA.

On 7/12/23 Company's Board of Directors resolved to proceed with a dividend distribution to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 119 mil.

On 27/3/24 Company's Board of Directors resolved to proceed with a dividend distribution to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 300 mil.

Other events

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.

Amsterdam, 8 May 2025

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.

Balance Sheet as at 31 December 2022

(In EUR, before appropriation of results)

ASSETS

	Notes	31/12/2022	31/12/2021
Non-current assets			
Investments in subsidiaries	6	13.204.734	271.630.678
Investments in associates	7	408.666.391	408.679.865
		421.871.125	680.310.543
Current assets			
Trade and other receivables	8	312.522	56.453.255
Cash and cash equivalents	9	494.512.407	45.955.479
		494.824.929	102.408.734
TOTAL ASSETS		916.696.053	782.719.277
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)		148.102.587	-29.613.225
TOTAL EQUITY		915.839.991	738.124.179
LIABILITIES			
Current liabilities			
Loan payable	11	--	43.813.750
Trade and other payables	12	856.062	781.349
		856.062	44.595.098
TOTAL EQUITY, PROVISIONS AND LIABILITIES		916.696.053	782.719.277

The notes to the accounts on pages 11 to 23 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Other Comprehensive Income
for the period ended 31 December 2022
(in EUR)

	Note	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Income and Expenses			
Interest income	14	92.944	2.624
Interest expense	14	-310.468	-621.122
Reversal/(Impairment) on investments in subsidiaries and associates.	6, 7	-984.936	-16.398.792
Dividend income	14	0	53.444.227
Loss from participation share sale	7	0	-47.372.733
Gain on sale of investments	7	339.470.518	0
Other extraorinary provisions		-401.031	49.935
Currency exchange result		-43.757	74.764
General and administrative expenses		-107.457	-507.746
Operating Profit		337.715.813	-11.328.842
Profit before taxation		337.715.813	-11.328.842
Corporate income tax credit		0	-2.272.590
Profit for the year from continuing operations		337.715.813	-13.601.433
Profit for the year from discontinued operations		0	0
(Loss) / Profit for the year		337.715.813	-13.601.433
Total comprehensive income for the year		**337.715.813**	**-13.601.433**

The notes to the accounts on pages 11 to 23 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Cash Flow Statement
for the period ended 31 December 2022
(in EUR)

	Notes	1/1/2022 - 31/12/2022	1/1/2021 - 31/12/2021
Cash flow from operating activities			
(Application of Indirect Method)			
Profit/Loss before tax for the year		337.715.813	-11.328.842
Adjustments for:			
(Impairment reversal) / Impairment on investments in subsidiaries and associ	6, 7	984.936	16.398.792
Gain on disposal and liquidation of investments	6	-339.470.518	0
Loss from participation share sale		0	47.372.733
Unrealised foreign exchange Loss/(Gain)		204.803	246.919
Interest income		-92.944	-2.624
Interest expense		310.468	621.122
		-347.442	**53.308.100**
Net increase / (decrease) in trade and Other receivables	9	56.140.733	-56.031.891
Net (decrease) / increase in trade and Other payables	13	74.714	170.174
Interest paid		-329.212	-630.492
Net cash used in continuing operating activities		**55.538.792**	**-3.184.110**
Cash (used in) / generated from continuing operations			
Cash flows from continuing investing activities			
Interest received	14	7.067	2.624
Cash consideration from Cyprus Sale		596.925.000	0
Dividends from subsidiaries/associaties	14	0	53.444.227
Net cash generated from continuing investing activities		**596.932.067**	**53.446.851**
Dividends paid to shareholder		-160.000.000	-58.000.000
Funding Repayment		-43.813.750	
Share Capital Increase (Decrease) in Subsidiary		0	-4.000.000
Net cash used in continuing financing activities		**-203.813.750**	**-62.000.000**
Total cash from continuing operations		**448.657.109**	**-11.737.259**
Net increase in cash equivalents from continuing operating activities		**652.470.859**	**50.262.741**
Net increase / (decrease) in cash equivalents		**448.657.109**	**-11.737.259**
Cash and cash equivalents at the beginning of the year	10	45.955.479	57.804.900
Cash and cash equivalents at the end of the year	10	494.512.407	45.955.479
Effect of exchange rate fluctuations on cash held		-100.182	-112.162
Movement in cash		**-448.657.109**	**11.737.259**

The notes to the accounts on pages 11 to 23 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 2022
(in EUR)

	Ordinary Shares	Share premium	Retained earnings	Total equity
Balance as at January 1, 2021	**767.728.500**	**8.904**	**41.988.207**	**809.725.611**
Dividend payable	--	--	-58.000.000	-58.000.000
Total comprehensive income for the year	--	--	-13.601.433	-13.601.433
Balance as at December 31, 2021	**767.728.500**	**8.904**	**-29.613.225**	**738.124.179**
Balance as at January 1, 2022	**767.728.500**	**8.904**	**-29.613.225**	**738.124.179**
Dividend payable	--	--	-160.000.000	-160.000.000
Total comprehensive income for the year	--	--	337.715.813	337.715.813
Balance as at December 31, 2022	**767.728.500**	**8.904**	**148.102.587**	**915.839.991**

The notes to the accounts on pages 11 to 23 form an integral part of these financial statements.

Notes to the Financial Statements as at 31 December 2022
(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 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. As of 1 January 2023 the Company changed its address to Strawinskylaan 569, 1077 XX, 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 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 standards and interpretations, issued and effective or issued and early adopted as at the time of preparing these financial statements.
The financial statements are prepared under the historical cost basis except for the financial assets measured at fair value through other comprehensive income, financial assets and financial liabilities (including derivative instruments) measured at fair-value-through-profit-or-loss.
The accounting policies for the preparation of the financial statements have been consistently applied to the years 2022 and 2021, after taking into account the amendments in IFRSs as described in section 2.1.1 “New and amended standards and interpretations” and the amendments described in section 2 “Principal accounting policies” following changes in the Group’s accounting policies. In addition, where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.
The preparation of financial statements in accordance with IFRS requires the use of estimates and judgements 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 presentation currency is the Euro (€) being the functional currency of the parent company.

The financial statements have been prepared on the basis that the Company will not continue as a going concern, since its Board of Directors intent to liquidate the Company. Nevertheless, the preparation on this basis did not have any significant effect on the Company’s accounting policies which continue to be in accordance with IFRSs and had no impact on the amounts in its financial statements, given that from the year end 2023 all its shareholdings have been transferred within Eurobank Holding Group without any haircut.

2.1.1 New and amended standards and interpretations

New and amended standards adopted by the Company as of 1 January 2022

The following new standards, amendments to standards as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU), apply as of 1 January 2022:

IFRS 3, Amendments, Reference to the Conceptual Framework

The amendments to IFRS 3 “Business Combinations” updated a reference to the current version of Conceptual Framework while added a requirement that, for obligations within the scope of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. In addition, for a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy exists at the acquisition date.
Moreover, the issued amendments added a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition in a business combination at the acquisition date.
The adoption of the amendments had no impact on the financial statements.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Annual improvement to IFRSs 2018-2020 cycle: IFRS1, IFRS9 and IFRS 16

The improvements introduce changes to several standards. The amendments that are relevant to the Group's activities are set out below:
The amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result, the amendment allows entities that have elected to measure their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported in the parent's consolidated financial statements. This amendment also applies to associates and joint ventures that have taken the same IFRS 1 exemption.
The amendment to IFRS 9 "Financial Instruments" clarifies which fees should be included in the 10% test for derecognition of financial liabilities. The fees to be included in the assessment are only those paid or received between the borrower (entity) and the lender, including fees paid or received by either the borrower or lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.
The amendment to IFRS 16 "Leases" removes the illustration of the reimbursement of leasehold improvements, in order to avoid any potential confusion about the treatment of lease incentives.

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

IAS 37, Amendment, Onerous Contracts – Costs of Fulfilling a Contract

The amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' clarify which costs to include in determining the cost of fulfilling a contract when assessing whether a contract is onerous. In particular, the direct costs of fulfilling a contract include both the incremental costs and an allocation of other costs directly related to fulfilling contracts' activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.
The adoption of the amendments had no impact on the consolidated financial statements

(b) New and amended standards not yet adopted by the Group

A number of new standards and amendments to existing standards are effective after 2022, as they have not yet been endorsed by the EU 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)

IAS 8, Amendments, Definition of Accounting Estimates (effective 1 January 2023, not yet endorsed by EU)

The amendments in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" introduced the definition of accounting estimates and include other amendments to IAS 8 which are intended to help entities distinguish changes in accounting estimates from changes in accounting policies.

The amendments clarify (a) how accounting policies and accounting estimates relate to each other by (i) explaining that accounting estimates are used in applying accounting policies and (ii) making the definition of accounting policies clearer and concise and, (b) that selecting an estimation or valuation technique and choosing the inputs to be used constitutes making an accounting estimate.

The adoption of the amendments had no impact on the financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023)

IASB issued amendments to IAS 1 "Presentation of Financial Statements" that require entities to disclose their material accounting policies rather than their significant accounting policies.
According to IASB, accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.
Furthermore, the amendments clarify how an entity can identify material accounting policy information, while provide examples of when accounting policy information is likely to be material. The amendments to IAS 1 also clarify that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support these amendments the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2 Making Materiality Judgements to accounting policy disclosures, in order to support the amendments to IAS 1.

The adoption of the amendments had no impact on the financial statements.

IAS 12, Amendments, Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023, not yet endorsed by EU)

The amendments clarify that the exemption on initial recognition set out in IAS 12 'Income Taxes' does not apply for transactions such as leases and decommissioning obligations that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Accordingly, for such transactions an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented.

The adoption of the amendments had no impact on the financial statements.

IFRS 16, Amendment, Lease Liability in a Sale and Leaseback (effective 1 January 2024, not yet endorsed by EU)

The amendment requires a seller-lessee to subsequently measure lease liabilities arising in a sale and leaseback transaction in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. Any gains and losses relating to the full or partial termination of a lease continue to be recognised when they occur. The amendment does not change the accounting for leases unrelated to sale and leaseback transactions.

The adoption of the amendments had no impact on the financial statements.

Notes to the Financial Statements as at 31 December 2022
(in EUR)

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.1.2 Other accounting developments

Prior year comparison

The accounting policies have been consistently applied to the years presented.

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.

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.

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.

Trade and other receivables

Trade and other receivables are amounts due from customers in the ordinary course of business and their 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.

Notes to the Financial Statements as at 31 December 2022
(in EUR)

3 PRINCIPLES OF DETERMINATION OF RESULT

General

Result is determined as the difference between dividend/investment income 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

On 01/04/2025, Fitch Ratings has upgraded Eurobank S.A.'s(Eurobank; OpCo) and Eurobank Ergasias Services and Holdings S.A. (HoldCo) Long-Term Issuer Default Ratings (IDRs) to 'BBB-' from 'BB+', and Viability Ratings (VRs) to'bbb-' from 'bb+'. The Outlooks on the Long-Term IDRs are Stable.

Interest rate risk

The interest rate applied for the Company's borrowing from Eurobank Private Bank Luxembourg S.A. for the year 2022 was EURIBOR plus 1,30%. 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 9 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.

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 2022	CCY	Amount in CCY	Amount in EUR	Amount in CCY	Amount in EUR
Trade and other receivables	USD	--	--	--	--
Cash and cash equivalents	RSD	26.042	222	--	--
Cash and cash equivalents	USD	1.653.684	1.550.426	--	--
		Less than 1 year		**Over 1 year**	
As at 31 December 2021	CCY	Amount in CCY	Amount in EUR	Amount in CCY	Amount in EUR
Trade and other receivables	USD	429.624	379.327	--	--
Cash and cash equivalents	RSD	64.041	545	--	--
Cash and cash equivalents	USD	1.652.742	1.459.246	--	--

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 214,855 and 175,790 respectively. By comparing the same analysis on the Company's 2021 balances a shift of 10% of the USD rate, would have caused a maximum increase/decrease of EUR 202,243 and 165,472 respectively.

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

Notes to the Financial Statements as at 31 December 2022
(in EUR)

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 2022	Less than 1 month	Between 1 to 3 months	Between 3 to 12 months	Over 12 months
Liabilities:				
Loan payable	--	--	--	--
Trade and other payables	--	356.062	--	--

As at 31 December 2021	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	--	281.349	--	--

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 2022	**31 December 2021**
Issued and paid-up capital	767.728.500	767.728.500
Share premium	8.904	8.904
Reatained Earnings	-29.613.225	41.988.207
Dividend payable	-160.000.000	-58.000.000
Total comprehensive income for the year	337.715.813	-13.601.433
Total equity	**915.839.991**	**738.124.179**

Notes to the Financial Statements as at 31 December 2022
(in EUR)

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 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:

	2022	2021
Opening balance as at 1 January	271.630.678	271.630.678
Share Capital Increase	--	4.000.000
Disposals	(257.454.482)	--
(Impairment loss) / Reversal of impairment loss	(971.462)	(4.000.000)
Balance as at 31 December	13.204.734	271.630.678

The impairment or reversal of impairment of the investment in subsidiaries of the subsidiaries is based on the latest available management estimates on the recoverable amount.

Notes to the Financial Statements as at 31 December 2022
(in EUR)

6 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The Company has shares in the following Subsidiaries which are part of the Eurobank S.A.:

Name		Ownership and voting rights	Cost price in euro 2022	Cost price in euro 2021
1 Eurobank Cyprus Limited Cyprus				
	Opening balance	100%	257.454.482	257.454.482
	Disposal	-100%	(257.454.482)	--
	Closing balance	0%	--	257.454.482

On 25 July 2022 Eurobank Cyprus Ltd was sold to Eurobank S.A. for a cash consideration amounting to €596,9 mio, resulting in a gain of €339,5mio. The seller is a wholly- owned subsidiary of the purchaser. The deal was carried out according to the agreement for the sale and purchase of the share capital of Eurobank Cyprus Ltd dated 25 July 2022.

Name		Ownership and voting rights	Cost price in euro 2022	Cost price in euro 2021
2 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
3 ERB IT Shared Services S.A. Romania				
	Opening balance	98,90%	2.175.997	2.175.997
	(Impairment loss)		(971.462)	(4.000.000)
	Share Capital Increase	0,65%	--	4.000.000
	Closing balance	99,55%	1.204.535	2.175.997

Notes to the Financial Statements as at 31 December 2022
(in EUR)

7 INVESTMENTS IN ASSOCIATES

The movements in the investments in associates are as follows:	Cost price in euro 2022	Cost price in euro 2021
Opening balance as at January 1,	408.679.865	524.290.616
Additions	--	--
Share Capital Decrease	--	(55.839.226)
Reversal of impairment loss / (Impairment loss)	(13.475)	(12.398.792)
Loss on Disposal	--	(47.372.733)
Balance as at December 31,	408.666.391	408.679.865

The impairment or reversal of impairment of the investment in subsidiaries of the subsidiaries is based on the latest available management estimates on the recoverable amount.

The Company has shares in the following Associates:

Name		Ownership and voting rights	Cost price in euro 2022	Cost price in euro 2021
1 **Eurobank A.D. Beograd Serbia**				
	Opening balance	23,097%	65.106.968	180.626.464
	Reversal of impairment loss / (Impairment loss)		--	(12.307.537)
	Share Capital Decrease		--	(55.839.226)
	Loss on Disposal		--	(47.372.733)
	Closing balance	23,097%	65.106.968	65.106.968

Name		Ownership and voting rights	Cost price in euro 2022	Cost price in euro 2021
2 **ERB Leasing A.D. Beograd Serbia**				
	Opening balance	32,99%	98.882	190.137
	Reversal of impairment loss / (Impairment loss)		(13.475)	(91.255)
	Closing balance	32,99%	85.407	98.882
3 **Eurobank Bulgaria AD Bulgaria**				
	Opening balance	43,850%	343.474.120	343.474.120
	Share purchase	0,002%	--	--
	Closing balance	43,852%	343.474.120	343.474.120

7 INVESTMENTS IN ASSOCIATES (CONTINUED)

4 IMO Property Investments Bucuresti S.A.
Romania

Opening balance	0,001%	1	1
Closing balance	0,001%	1	1

5 IMO II Property Investments S.A.
Romania

Opening balance	0,010%	1	1
Closing balance	0,010%	1	1

6 CAIRO MEZZ PLC
Cyprus

Opening balance	0,0000003%	0,19	0,19
Acquisition	0,0000003%	0,00	0,00
Closing balance	0,0000003%	0,19	0,19

Eurobank Ergasias Services and Holdings S.A. in consideration of 0.19 € by ERB New Europe Holding B.V. agreed on 25/6/2020 to transfer 1 Share of CAIRO MEZZ PLC (0,0000003% of total Share Capital).

8 TRADE AND OTHER RECEIVABLES

As at 31 December 2022, this item can be detailed as follows:

Name	CCY	Amount in CCY	2022	2021
Dividend receivable (Eurobank A.D. Beograd)	RSD	--	--	55.843.534
EFG International Bermuda Ltd			--	1
EFG Investment II (UK)	USD	--	--	379.326
* Income tax receivable			227.415	230.394
Accrued interest on deposit account			85.107	--
			312.522	56.453.255

* Note 13 of the financial statements provides a detailed breakdown of the Income tax receivable.

9 CASH AND CASH EQUIVALENTS

Cash at banks

As at 31 December 2022, this item can be detailed as follows:

Description	CCY	Amount in CCY	Rate	2022	2021
Current accounts	USD	1.653.684	0,93756	1.550.426	1.459.246
Current accounts	RSD	26.042	0,00852	222	545
Current accounts	EUR			1.962.381	44.496.310
Deposit account	EUR			491.000.000	--
Impairment due from other credit institutions	EUR			-621	-621
				494.512.407	45.955.479

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

Notes to the Financial Statements as at 31 December 2022
(in EUR)

10 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 EUR 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, 2022, 850,000 shares were issued and fully paid-up (as at 31 December, 2021, 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 11 of this report.

11 LOAN PAYABLE

As at 31 December 2022, the Company's outstanding borrowings are detailed as follows:

Name	Description	CCY	2022	2021
Eurobank Private Bank Luxemburg S.A.	Loan	EUR	--	43.813.750
			--	43.813.750

12 TRADE AND OTHER PAYABLES

As at 31 December 2022, this item can be detailed as follows:

Name	Description	2022	2021
Other provisions	General and admin. expenses	500.000	500.000
Trade and other payables	General and admin. expenses	356.062	281.349
		856.062	781.349

13 CORPORATE INCOME TAX CREDIT

For the year ended 31 December 2022, this item can be detailed as follows:

	2022
Gain for the year	337.715.813
- Realized results from participations	984.936
- Expected payment icw impairment losses	401.031
Fiscal profit computation	339.101.780
- Participation exemption*	(339.470.518)
Taxable amount	**(368.738)**

Corporate Income Tax position 2022

The nominal Corporate income tax rate in the Netherlands is 15% for the first EUR 395,000 and the remaining taxable result 25,8%.
*The participation exemption applies to dividends received from subsidiaries/associates and sale of subsidiaries/associates.

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

	2022	2021
Opening balance	230.394	71.249
Payments made/(receipts) during the year relating to previous years	(2.979)	159.145
Balance as at 31 December 2022	227.415	230.394

The Company has fiscal tax loss available to carry forward as at 31 December 2022 amounting to € 11,990,623. No relevant deferred tax asset has been recognised since management does not expect that the Company will have adequate future taxable profits.

Notes to the Financial Statements as at 31 December 2022
(in EUR)

14 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 31 December 2022, the percentage of Eurobank Holdings' 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 Bank pursuant to the provisions of the Law 3864/2010, as in force, including the amendments under law 4941/2022 and the Tripartite Relationship Framework Agreement (TRFA) between Eurobank S.A., Eurobank Holdings and the HFSF signed on 23 March 2020 and amended on 3 February 2022.

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

	Closing balance	
Description	**2022**	**2021**
Current accounts held with subsidiaries / associates	2.127.020	45.066.021
Current accounts held with shareholder / parent entity	492.386.008	890.080
	494.513.028	45.956.101

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

	Closing balance	
Description	**2022**	**2021**
Loan payable	-	43.813.750
	-	43.813.750

(c) EQUITY

	Closing balance	
Description	**2022**	**2021**
Dividend payable (Eurobank S.A.)	160.000.000	58.000.000
	160.000.000	58.000.000

(d) Financial income and expenses

	Closing balance	
Description	**2022**	**2021**
Interest income from sight deposit in credit institutions abroad	771	2.624
Realized interest on time deposits with foreign banks	7.067	--
Accrued interest income foreign banks affiliated	85.107	--
Dividend income from discontinued operations (New Europe Funding II B.V.)	--	8.000.000
Dividend income from continuing operations (Eurobank Direktna)	--	45.444.227
Interest expense on loan payable to group company (Eurobank Private Bank Luxembourg S.A.)	(310.468)	(621.122)
Loss from participation share disposal (EUROBANK DIREKTNA)	-	(47.372.733)
Gain from participation share sale (Eurobank Cyprus Limited)	339.470.518	-
	339.252.994	5.452.997

15 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 20,000 (2021: EUR 15,000) 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.

16 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 2022 (2021: nil). No off balance sheet contractual commitments or obligations, affecting the financial statements, have occurred to date.

17 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.

18 OTHER INFORMATION

Position of Eurobank Group

The financial statements have been prepared on the basis that the Company will not continue as a going concern, since its Board of Directors intent to liquidate the Company. Nevertheless, the preparation on this basis did not have any significant effect on the Company's accounting policies which continue to be in accordance with IFRSs and had no impact on the amounts in its financial statements, given that from the year end 2023 all its shareholdings have been transferred within Eurobank Holding Group without any haircut.

Macroeconomic environment

In 2024, despite the challenging international environment, the macroeconomic backdrop was supportive in the Group's three core markets. In particular, the economies of Greece, Bulgaria and Cyprus remained in expansionary territory, overperforming most of their European Union (EU) peers. According to the Hellenic Statistical Authority (ELSTAT) provisional data, the real GDP of Greece expanded by 2.3% on an annual basis in the first nine months of 2024 – versus 0.5% in the euro area (Eurostat) – driven by household consumption and the buildup of inventories. The average annual inflation rate based on the Harmonized Index of Consumer Prices (HICP) decreased to 3.0% in 2024 from 4.2% in 2023, while the average monthly unemployment rate declined to 10.1% in 2024, from 11.1% in 2023, dropping to a 15-year low. In its Autumn Economic Forecasts (November 2024), the European Commission (EC) expects real GDP in Greece to grow by 2.1% in 2024 and 2.3% in 2025 (2023: 2.3%). The HICP growth rate is expected to decelerate to 2.4% in 2025 and the unemployment rate to drop to 9.8%, respectively. On the fiscal front, the EC expects a primary surplus of 2.9% of GDP in 2024 and 2025, up from 2.1% of GDP in 2023. The gross public debt-to-GDP ratio, following a sizeable increase in nominal GDP due to the combination of real GDP growth and inflation, is expected to decline to 153.1% in 2024 and 146.8% in 2025, from 163.9% in 2023.

In 2024, the Greek government raised € 9.55 billion from the international financial markets through the Public Debt Management Agency (PDMA) by issuing two new bonds (a 10-year bond at a yield of 3.478% in January and a 30-year bond at a yield of 4.241% in April), and re-opening eleven past issues with maturities of 5 and 10 years. At the end of 2024, the cash reserves of the Greek government stood close to € 33 billion. Following a series of sovereign rating upgrades in the second half of 2023, the Greek government's long-term debt securities were considered investment grade by four out of the five Eurosystem-approved External Credit Assessment Institutions (DBRS: BBB(low), positive outlook, Fitch: BBB-, stable outlook; Scope: BBB, stable outlook; S&P: BBB-, positive outlook), and one notch below investment grade by the fifth one, Moody's (Ba1, positive outlook) as of 31 December 2024. On monetary policy developments, after ten rounds of interest rate hikes in 2022 and in 2023 and on the back of an improved inflation outlook, the European Central Bank (ECB) implemented five interest rate cuts from June 2024 to January 2025, lowering its deposit facility rate by 125 basis points in total.

Regarding the outlook for the next 12 months, the major macroeconomic risks and uncertainties in Greece and our region are associated with: (a) the geopolitical tensions caused primarily by the war in Ukraine and the fragile situation in the Middle East, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy (b) an interruption or even a reversal of the disinflationary trend observed in the past 24 months and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, as well as any potential social and/or political ramifications this may entail, (c) the timeline of the potential further interest rate cuts by the ECB and the Federal Reserve Bank, as persistence on high rates for longer may keep exerting pressure on sovereign and private borrowing costs and certain financial institutions' balance sheets, but early rate cuts entail the risk of a rebound in inflation, (d) the prospect of Greece's and Bulgaria's major trade partners, primarily the euro area, remaining stagnant or even facing a temporary downturn, (e) the elevated political and economic uncertainty stemming from the international and trade policy decisions of the new administration in the United States, (f) the persistently large current account deficit that seems to become once again a structural feature of the Greek economy,(g) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the countries of presence, especially in Greece, (h) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience and (i) the exacerbation of natural disasters due to the climate change and their effect on GDP, employment, fiscal balance and sustainable development in the long run.

Materialization of the above risks 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. In this context, the Group's Management and Board are continuously monitoring the developments on the macroeconomic, financial and geopolitical fronts as well as the evolution of the Group's asset quality and liquidity KPIs and have maintained a high level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group's capital, asset quality and liquidity standing as well as the fulfilment, to the maximum possible degree, of its strategic and business goals in accordance with the Parent Company's group business plan for 2025 - 2027.

Solvency risk

In the year ended 31 December 2024, the Eurobank S.A. Group's net profit attributable to shareholders amounted to € 1,458 million (2023: € 1,148 million). Eurobank S.A. Group, which comprises the major part of Eurobank Holdings Group, is not separately supervised for capital adequacy purposes. As at 31 December 2024, the Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios of Eurobank Holdings Group, including the impact of the distribution of cash dividend to shareholders approved by the AGM in July 2024 and the inclusion of Hellenic Bank group in the Company's consolidated financial statements, stood at 19.5% (31 December 2023: 19.4%) and 16.8% (31 December 2023: 16.9%) respectively. Pro-forma with the dividend accrual to be distributed to shareholders in 2025 (subject to regulatory approval), the completion of project "Solar" as well as the confirmation by ECB, of the significant risk transfer (SRT) recognition for the "Leon" loan portfolio and the project "Wave VI", the total CAD and CET1 ratios, as of 31 December 2024, would be 18.5% and 15.7% respectively (note 4 in the consolidated financial statements of Eurobank Holdings).
With regard to asset quality, the Group's NPE formation, including the impact of Hellenic Bank, was positive by € 222 million during the year (fourth quarter 2024: € 47 million positive), (2023: € 138 million positive). In total, the Group's NPE stock, including the impact of Hellenic Bank, stood at € 1.5 billion, excluding the € 0.2 billion NPE of Hellenic Bank covered by the Asset Protection Scheme (APS) (31 December 2023: € 1.5 billion), driving the NPE ratio to 2.9% at 31 December 2024 (31 December 2023: 3.5%), while the NPE coverage ratio improved to 88.4% (31 December 2023: 86.4%).
With regard to asset quality, as at 31 December 2023, the Group's NPE stock stood at € 1.5 billion, following the classification of the loan portfolio of project 'Leon' as held for sale, the sale of Eurobank Direktna a.d. disposal group, and the write-offs during the year (31 December 2022: € 2.3 billion), driving the NPE ratio to 3.5% (31 December 2022: 5.2%), while the NPE coverage ratio improved to 86.4% (31 December 2022: 74.6%). The Eurobank S.A. Group's net profit attributable to shareholders for the year ended 31 December 2023 amounted to € 1,148 million (2022: € 1,353 million, restated).

In terms of liquidity, as at 31 December 2024, the Group deposits, including the impact of the Hellenic Bank consolidation that added € 15.8 billion, stood at € 78.9 billion (31 December 2023: € 57.8 billion). The funding from the targeted long term refinancing operations of the ECB – TLTRO III programme was fully repaid during the year (31 December 2023: € 3.8 billion) (note 31), while the Group's debt securities in issue, increased by € 2.3 billion (note 34). The Liquidity Coverage ratio (LCR) has increased to 188.2% (31 December 2023: 178.6%) for Eurobank Holding group, while stands at 180.5% (2023: 191.1%) for the Bank. In the context of the 2024 ILAAP (Internal Liquidity Adequacy Assessment Process), the liquidity stress tests results indicated that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios regarding the short term (1 month), the 3-month and the medium-term horizon (1 year). On 18 December 2024, the Board of Directors of Eurobank Holdings decided the initiation of the merger process of Eurobank Holdings with the Bank through absorption of the former by the latter, in order that operational efficiencies and a leaner group structure be achieved. The merger will be completed subject to all necessary by Law approvals.

Notes to the Financial Statements as at 31 December 2022
(in EUR)

18 OTHER INFORMATION (CONTINUED)

Post balance sheet events

On 01/01/23 the Company changed its address to Strawinskylaan 569, 1077 XX, Amsterdam, The Netherlands.

On 02/03/23, Eurobank S.A. announced that it has signed binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of Eurobank Direktna in Serbia (the "Transaction"). The Transaction values 100% of Eurobank Direktna at € 280 million and is expected to be completed within year 2023, subject to customary regulatory and other approvals.

On 02/11/23, following the announcement dated 02/03/2023, Eurobank S.A. announced that the sale of its Serbian subsidiary Eurobank Direktna to AIK Banka a.d. Beograd ("AIK") was completed on November 2, 2023, following the receipt of the approvals by all competent regulatory authorities ("Transaction"). Eurobank Direktna is owned by Eurobank Holdings (70%) and former Direktna Banka shareholders (30%). The cash consideration for the 70% stake owned by Eurobank amounted to ca. € 198m.

On 25/7/23 Company's Board of Directors resolved to decrease the Company's issued capital with repayment to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 491.002.500.

On 18/7/23 Eurobank Group resolved to proceed with transfer of all ERB New Europe Holding (NEH) B.V. shareholdings to Eurobank SA.

On 7/12/23 Company's Board of Directors resolved to proceed with a dividend distribution to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 119 mil.

On 11/12/23 Company's Board of Directors resolved to decrease the Company's issued capital with repayment to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 276.725.150.

On 27/3/24 Company's Board of Directors resolved to proceed with a dividend distribution to the Shareholder (100%) of the Company (Eurobank SA) of total amount € 300 mil.

The members of the Company intent to liquidate the Company as soon as arrangements can be made.

Other events

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

The Board of Managing Directors,

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

Amsterdam, 8 May 2025

ERB NEW EUROPE HOLDING B.V.

Other Information

<u>Statutory provision regarding appropriation of Result</u>

Subject to the provisions under Dutch law that no dividends can be declared until all losses have been cleared, the unappropriated results are at the disposal of the shareholder in accordance with the Company's Articles of Association.

Furthermore, Dutch law prescribes that any profit distribution may only be made to the extent that the shareholders' equity exceeds the amount of the issued capital and the legal reserves.

<u>Independent Auditor's report</u>

Reference is made to the independent auditor's report hereinafter.

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Report on the Audit of the Financial Statements

To the Board of Managing Directors of
ERB New Europe Holding B.V.

Opinion

We have audited the Financial Statements of ERB New Europe Holding B.V. (the “Company”) which comprise the Statement of Financial Position as at 31 December 2022, the Income Statement and Statement 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 2022 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 (ISAs). 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’ International Code of Ethics for Professional Accountants *(including International Independence Standards) (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Greece and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2.1 in the financial statements, which describes that the going concern basis of preparing the financial statements has not been used because the Company’s Board of Managing Directors intends to liquidate the Company. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Board of Managing 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 regard.

Responsibilities of the Board of Managing Directors and Those Charged with Governance for the Financial Statements

The Board of Managing Directors 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 the Board of Managing Directors 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, the Board of Managing Directors 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 the Board of Managing Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 the Board of Managing Directors.
- Conclude on the appropriateness of the Board of Managing Directors' 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 the Board of Managing Directors 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, Greece

8 May 2025