ERB NEW EUROPE HOLDING B.V.

Amsterdam, the Netherlands

FINANCIAL STATEMENTS 2021

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 2021.

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 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

2023 was marked by adverse developments in the international economic and geopolitical environment. The open war fronts, and especially the ramifications of the escalation of the conflict in the Middle East, the successive interest rate hikes by the European Central Bank (ECB), and the sustained –albeit easing– inflation pressures have brought the euro area close to stagnation. Despite the adverse international environment, however, the economies of Greece and the other countries in which the Group has a substantial presence remained in expansionary territory in 2023, overperforming their European Union (EU) peers.

Growth in Greece and in other countries of presence is expected to receive a significant boost from EU-funded investment projects and reforms. Following a series of sovereign rating upgrades in the second half of 2023, Greek government's long-term debt securities were considered investment grade by four out of the five Eurosystem-approved External Credit Assessment Institutions (Fitch, Scope, S&P: BBB-, stable outlook; DBRS: BBB(low), stable outlook), and one notch below investment grade by the fifth one, Moody's (Ba1, stable outlook) as of February 2024.

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 open war fronts in Ukraine and the Middle East, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy, including the disruption in global trade caused by the recent attacks on trading vessels in the Red Sea, (b) a potential prolongation of the ongoing inflationary wave 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 these may entail, (c) the timeline of the anticipated 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 persistently large current account deficits that have started to become once again a structural feature of the Greek economy, (f) the absorption capacity of the Next Generation EU (NGEU) and the EU's long-term budget (MFF) funds and the attraction of new investments in the countries of presence, especially in Greece, (g) the effective and timely implementation of the reform agenda required to meet the Recovery and Resilience Facility (RRF) milestones and targets and to boost productivity, competitiveness, and resilience, (h) potential volatility in the global financial system due to the correction in real estate prices in Western Europe and the United States, (i) the increased geopolitical risk relating to the upcoming national and supernational elections in major economies around the globe resulting in heightened political and economic uncertainty, financial volatility and costs, and (j) 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 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 increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group's 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 2024-2026.

Position of Eurobank Group (continued)

Solvency risk

As at 31 December 2023, the Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios of Eurobank Holdings Group, stood at 19.4% (31 December 2022: 19.2%) and 16.9% (31 December 2022: 16%) respectively. Pro-forma with the completion of projects “Solar” and “Leon” and the issuance of Subordinated Tier II debt instruments in January 2024, the total CAD and CET1 ratios would be 20.2% and 17% respectively. At the same date, the Total CAD and CET1 ratios of the Bank amount to 19.2% (31 December 2022: 18.9%) and 16.1% (31 December 2022: 15.1%) respectively.
The Eurobank Holdings Group completed successfully the 2023 EU-wide stress test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the ECB and the European Systemic Risk Board (ESRB).
On 9 October 2023, the Company completed the buy back of all of its issued shares held by HFSF. Accordingly, the Company and the Bank are no longer subject to Law 3864/2010 and to the special rights of HFSF provided for in the law.

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 2023, following the completion of the sale of Eurobank Direktna a.d. disposal group, the Group deposits stood at € 57.8 billion (31 December 2022: € 57.3 billion), while the funding from the ECB refinancing operations amounted to € 3.8 billion (31 December 2022: € 8.8 billion). During the year 2023, the Bank proceeded with the issuance of two preferred senior notes of € 500 million each. More recently, in January 2024, the Parent Company completed the issuance of a € 300 million Subordinated Tier II debt instrument. The rise in high quality liquid assets of the Eurobank Holding Group led the respective Liquidity Coverage ratio (LCR) to 178.6% (31 December 2022: 173%). In the context of the 2024 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 regarding the short term (1 month), the 3-month and the medium-term horizon (1 year).

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 27/4/2021 Standard & Poor's raised their long-term issuer credit ratings (ICRs) on Eurobank S.A, to 'B+' from 'B' (with stable outlook), and assigned 'B+' issue ratings to Eurobank S.A.'s senior preferred notes.

Outlook

There were no changes in the nature of the activities of the Company in 2021 and no changes took place untill the date of signing.

Current year results

During the year under review the Company recorded a loss of EUR 13.601.433. In the previous financial year (2020) a loss recorded amounted EUR 18.990.660.

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, which holds 32.99% of Eurobank Holdings voting rights as of 31 December 2022 (31 December 2021: 33%), is considered to have significant influence over Eurobank Holdings and accordingly over the Bank.

Position of Eurobank Group (continued)

Post balance sheet events

On 25/07/22 the Company has signed binding agreement (share purchase agreement) with Eurobank SA for the sale of Eurobank Cyprus LTD (the “Transaction”). The Transaction values 100% of Eurobank Cyprus LTD at € 596,925,000.

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

The major macroeconomic risks and uncertainties in Greece are associated with the geopolitical tensions caused mainly by the open war fronts in Ukraine and the Middle East which could potentially escalate, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy, including the disruption in global trade caused by the attacks on trading vessels in the Red Sea. 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 increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group’s capital, asset quality and liquidity standing.

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, 17 January 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 2021

(In EUR, before appropriation of results)

	Notes	31/12/2021	31/12/2020
ASSETS			
Non-current assets			
Investments in subsidiaries	6	271.630.678	271.630.678
Investments in associates	7	408.679.865	524.290.616
		680.310.543	795.921.294
Current assets			
Trade and other receivables	8	56.453.255	421.364
Cash and cash equivalents	9	45.955.479	57.804.900
		102.408.734	58.226.264
TOTAL ASSETS		782.719.277	854.147.558
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)		-29.613.225	41.988.207
TOTAL EQUITY		738.124.179	809.725.611
LIABILITIES			
Current liabilities			
Loan payable	11	43.813.750	43.813.750
Trade and other payables	12	781.349	608.197
		44.595.098	44.421.947
TOTAL EQUITY, PROVISIONS AND LIABILITIES		782.719.277	854.147.558

The notes to the accounts on pages 11 to 28 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Other Comprehensive Income
for the period ended 31 December 2021
(in EUR)

	Note	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Income and Expenses			
Interest income	14	2.624	2.832
Interest expense	14	-621.122	-740.270
Reversal/(Impairment) on investments in subsidiaries and associates.	6, 7	-16.398.792	-14.771.146
Dividend income	14	53.444.227	0
Loss from participation share sale	7	-47.372.733	0
Loss on disposal and liquidation of investments/participations		0	-3.242.503
Other extraorinary provisions		49.935	0
Currency exchange result		74.764	-156.418
General and administrative expenses		-507.746	-83.155
Operating Profit		-11.328.842	-18.990.660
Profit before taxation		-11.328.842	-18.990.660
Corporate income tax credit		-2.272.590	0
Profit for the year from continuing operations		-13.601.433	-18.990.660
Profit for the year from discontinued operations		0	0
(Loss) / Profit for the year		-13.601.433	-18.990.660
Total comprehensive income for the year		**-13.601.433**	**-18.990.660**

The notes to the accounts on pages 11 to 28 form an integral part of these financial statements.

ERB NEW EUROPE HOLDING B.V.

Cash Flow Statement
for the period ended 31 December 2021
(in EUR)

	Notes	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Cash flow from (continuing) operating activities			
(Application of Indirect Method)			
Profit/Loss before tax for the year		-11.328.842	-18.990.660
Adjustments for:			
(Impairment reversal) / Impairment on investments in subsidiaries and associ	6, 7	16.398.792	14.771.146
(Gain)/Loss on disposal and liquidation of investments	6	0	3.242.503
Loss from participation share sale		47.372.733	0
Unrealised foreign exchange Loss/(Gain)		246.919	128.412
Interest income		-2.624	-2.832
Interest expense		621.122	740.270
		53.308.100	**-111.161**
Net decrease in trade and Other receivables	9	-56.031.891	191.463
Net (decrease) / increase in trade and Other payables	13	170.174	-117.728
Interest paid		-630.492	-712.156
Net cash used in continuing operating activities		**-3.184.110**	**-749.582**
Cash (used in) / generated from continuing operations			
Cash flows from continuing investing activities			
Interest received	14	2.624	2.832
Liquidation of interests in subsidiaries	6	0	257.497
Acquisition of interests in associaties	7	0	-15.995
Dividends from subsidiaries/associaties	14	53.444.227	0
Net cash generated from continuing investing activities		**53.446.851**	**244.334**
Dividends paid to shareholder		-58.000.000	0
Share Capital Increase in Subsidiary		-4.000.000	-5.000.000
Net cash used in continuing financing activities		**-62.000.000**	**-5.000.000**
Total cash from continuing operations		**-11.737.259**	**-5.505.248**
Net increase in cash equivalents from continuing operating activities		**50.262.741**	**-505.248**
Net increase / (decrease) in cash equivalents		**-11.737.259**	**-5.505.248**
Cash and cash equivalents at the beginning of the year	10	57.804.900	63.466.566
Cash and cash equivalents at the end of the year	10	45.955.479	57.804.900
Effect of exchange rate fluctuations on cash held		-112.162	-156.418
Movement in cash		**11.737.259**	**5.505.248**

The notes to the accounts on pages 11 to 28 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 2021
(in EUR)

	Ordinary Shares	Share premium	Retained earnings	Total equity
Balance as at January 1, 2020 as restated	**767.728.500**	**8.904**	**60.978.867**	**828.716.271**
Total comprehensive income for the year	--	--	-18.990.660	-18.990.660
Balance as at December 31, 2020	**767.728.500**	**8.904**	**41.988.207**	**809.725.611**
Balance as at January 1, 2021 as restated	**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**

The notes to the accounts on pages 11 to 28 form an integral part of these financial statements.

Notes to the Financial Statements as at 31 December 2021
(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. 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 2021 and 2020, 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. Except as indicated, financial information presented in Euro has been rounded to the nearest million. The figures presented in the notes may not sum precisely to the totals provided due to rounding.

2.1.1 New and amended standards and interpretations

New and amended standards adopted by the Company as of 1 January 2021

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 2021:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

In the context of the market-wide reform of several interest rate benchmarks (referred to as ‘’IBOR reform’’), the IASB has undertaken a two-phase project to address the issues affecting financial reporting by the IBORs’ replacement and considered any reliefs to be provided in order to eliminate the resulted effects. The Phase 1 amendments, adopted by the Group as of 1 January 2020, provided temporary reliefs from applying specific hedge accounting requirements to the hedging relationships affected by the IBOR reform, during the period before the replacement of an existing interest rate benchmark with an alternative risk-free interest rate (“RFR”).
In August 2020, the IASB issued “Interest Rate Benchmark Reform: Phase 2 Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16”, which addresses the issues that affect financial reporting once an existing rate is replaced with an RFR and provides specific disclosure requirements. The Phase 2 amendments provide key reliefs related to the contractual modifications due to the reform and the hedging designations affected once the Phase 1 reliefs cease to apply.
More specifically, the amendments introduce a practical expedient if a contractual change, or changes to cash flows, result “directly” from the IBOR reform and occurs on an ‘economically equivalent’ basis. In these cases, changes will be accounted for by updating the effective interest rate of the financial instruments subject to reform, similar to the changes to a floating interest rate. A similar practical expedient will apply under IFRS 16 ‘Leases’ for lessees when accounting for lease modifications required by the IBOR reform.

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

In addition, the Phase 2 amendments permit changes, as a result of the IBOR reform, to be performed to hedge designations and hedge documentation without the hedging relationship being discontinued. Permitted changes include redefining the hedged risk and the description of the hedging instruments and/or the hedged items to reflect RFR as well as amending the description of how an entity will assess the hedge effectiveness (under IAS 39 only). An entity will apply the existing requirements in IAS 39 or IFRS 9 for qualifying fair value and cash flow hedging relationships to account for any changes in the fair value of the hedged item or the hedging instrument while any resulting ineffectiveness will be recognized in the income statement. Upon changing the hedge designation, once the Phase 1 reliefs cease to apply, the amount accumulated in the cash flow hedge reserve is also assumed to be based on the RFR for the purpose of assessing whether the hedged future cash flows are still expected to occur.

Based on the Phase 2 amendments, when performing a retrospective hedge effectiveness assessment under IAS 39, a company may elect to reset the cumulative fair value changes of the hedged item and hedging instrument to zero immediately after ceasing to apply the Phase 1 relief on a hedge-by-hedge basis. The Phase 2 amendments clarify that changes to the method for assessing hedge ineffectiveness due to the modifications required by the IBOR reform, will not result to the discontinuation of the hedge accounting.

The amendments to IFRS 4 are designed to allow insurers who are still applying IAS 39 to obtain the same reliefs as those provided by the amendments made to IFRS 9.
In addition, consequential amendments were made by the Phase 2 amendments to IFRS 7, to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.
Upon transition, the adoption of the amendments had no material impact on the financial statements.

The Group has set up an IBOR transition program to implement the transition to alternative interest rates that focuses on key areas of impact on customers' contracts, systems and processes, financial reporting, valuation, capital and liquidity planning and communication.

IFRS 4, Amendment, Deferral of IFRS 9

In June 2020, the IASB extended the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023, in order to align the effective dates of IFRS 9 Financial Instruments with IFRS 17 Insurance Contracts.

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

Amendment to IFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2021

In March 2021, the IASB extended by one year the application period of the practical expedient in IFRS 16 'Leases' that provides practical relief to lessees from applying the IFRS 16 guidance for lease modifications to rent concessions occurring as a direct consequence of the Covid-19 pandemic. In particular, based on the aforementioned extension of the practical expedient, the lessee may account for any reduction in lease payments, originally due on or before 30 June 2022, as if they were not lease modifications. The amendment is effective for annual reporting periods beginning on or after 1 April 2021.

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

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

A number of new standards and amendments to existing standards are effective after 2021, as they have not yet been endorsed by the European Union (EU), or have not been early applied by the Group. Those that may be relevant to the Group are set out below:

IFRS 3, Amendments, Reference to the Conceptual Framework (effective 1 January 2022)

The amendments to IFRS 3 "Business Combinations" updated the 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. 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 has occurred by the acquisition date.

Notes to the Financial Statements as at 31 December 2021
(in EUR)

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

In addition, 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 amendment had no impact on the financial statements.

Annual improvement to IFRSs 2018-2020 cycle: IFRS1, IFRS9 and IFRS 16 (effective 1 January 2022)

The improvements introduce changes to several standards. The amendments that are relevant to the Group's activities are set out below:
The amendments 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 amendments allow entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply 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 (effective 1 January 2022)

The amendment to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' clarifies that 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 amendment had no impact on the financial statements.

IAS 1, Amendments, Classification of Liabilities as Current or Non-Current (effective 1 January 2023, not yet endorsed by EU)

The amendments, published in January 2020, affect only the presentation of liabilities in the balance sheet and provide clarifications over the definition of the right to defer the settlement of a liability, while they make clear that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. In addition, it is clarified that the assessment for liabilities classification made at the end of the reporting period is not affected by the expectations about whether an entity will exercise its right to defer settlement of a liability. The Board also clarified that when classifying liabilities as current or non-current, an entity can ignore only those conversion options that are recognised as equity.

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

IFRS 17, Insurance Contracts (effective 1 January 2023)

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 provided that the entity 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 estimates of 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 at 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.

In June 2020, the IASB issued Amendments to IFRS 17 to assist entities in its implementation. The amendments aim to assist entities to transition in order to implement the standard more easily, while they while deferred the effective date, so that entities would be required to apply IFRS 17 for annual periods beginning on or after 1 January 2023.
During 2021, the IASB issued another narrow-scope amendment to IFRS 17 which is applicable on transition to the new standard, effective from 1 January 2023. However, it does not impact any other requirements of IFRS 17.

The amendment to IFRS 17 clarifies the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 at the same time. There are no changes to the transition requirements in IFRS 9. An entity that elects to apply the amendment applies it in the comparative information of the financial statements when it first applies IFRS 17. The 2021 amendment is not yet endorsed by EU.

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

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 more concise, (b) that selecting an estimation technique, or valuation technique, used when an item in the financial statements cannot be measured with precision, constitutes making an accounting estimate, and (c) that, in applying IAS 2 Inventories, selecting the first-in, first-out (FIFO) cost formula or the weighted average cost formula for interchangeable inventories constitutes selecting an accounting policy.

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, not yet endorsed by EU)

IASB issued amendments to IAS 1 "Presentation of Financial Statements" to 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 amendment 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 this amendment 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 initial recognition exemption set out in IAS 12 'Income Taxes' does not apply for transactions such as leases and decommissioning obligations. These are transactions where entities recognise both an asset and a liability.
More specifically, the amendments require an entity to recognise deferred tax on certain transactions (e.g. leases and decommissioning liabilities) that on initial recognition give rise to equal amounts of taxable and deductible temporary differences. Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability separately, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The amendments also add an illustrative example to IAS 12 that explains how the amendments are applied.

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

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

2.1.2 Other accounting developments

Employee benefits

(i) Short term benefits

Short term employee benefits are those expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services and are expensed as these services are provided.

(ii) Pension obligations

The Group provides a number of defined contribution pension plans where annual contributions are invested and allocated to specific asset categories. Eligible employees are entitled to the overall performance of the investment. The Group's contributions are recognized as employee benefit expense in the year in which they are paid.

(iii) Standard legal staff retirement indemnity obligations (SLSRI) and termination benefits

The Group operates unfunded defined benefit plans in Greece, Bulgaria and Serbia, under broadly similar regulatory frameworks. In accordance with the local labor legislation, the Group provides for staff retirement indemnity obligation for employees which are entitled to a lump sum payment based on the number of years of service and the level of remuneration at the date of retirement, if they remain in the employment of the Group until normal retirement age. Provision has been made for the actuarial value of the lump sum payable on retirement (SLSRI) using the projected unit credit method. Under this method the cost of providing retirement indemnities is charged to the income statement so as to spread the cost over the period of service of the employees, in accordance with the actuarial valuations which are performed every year.

The SLSRI obligation is calculated as the present value of the estimated future cash outflows using interest rates of high quality corporate bonds. In countries where there is no deep market in such bonds, the yields on government bonds are used. The currency and term to maturity of the bonds used are consistent with the currency and estimated term of the retirement benefit obligations. Actuarial gains and losses that arise in calculating the Group’s SLSRI obligations are recognized directly in other comprehensive income in the period in which they occur and are not reclassified to the income statement in subsequent periods.

Interest on the staff retirement indemnity obligations and service cost, consisting of current service cost, past service cost and gains or losses on settlement are recognized in the income statement. In calculating the SLSRI obligation, the Group also considers potential separations before normal retirement based on the terms of previous voluntary exit schemes.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits (including those in the context of the Voluntary Exit Schemes implemented by the Group). The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Termination benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

In the fourth quarter of 2021, the Group has elected to change its accounting policy according to IFRIC agenda decision - Attributing Benefit to Periods of Service (IAS 19). Based on the interpretation, SLSRI obligation first arises from the date when employee service first leads to benefits under the plan until the date when further employee service will lead to no material amount of further benefits. The SLSRI obligation is calculated using only the number of consecutive years of employee service immediately before the retirement age and is capped in a number of years of service depending on the local labor legislation. In accordance with IAS 8 ‘’Accounting Policies, Changes in Accounting Estimates and Errors’’, the above change was applied retrospectively.

(iv) Performance-based cash payments

The Group's Management awards high performing employees with bonuses in cash, from time to time, on a discretionary basis. Cash payments requiring only Management approval are recognized as employee benefit expenses on an accrual basis. Cash payments requiring General Meeting approval as distribution of profits to staff are recognized as employee benefit expense in the accounting period that they are approved by the Group’s shareholders.

(v) Share-based payments

The Group’s Management awards employees with bonuses in the form of shares and share options on a discretionary basis and after taking into account the current legal framework. Nonperformance related shares vest in the period granted. Share based payments that are contingent upon the achievement of a performance and service condition, vest only if both conditions are satisfied.
The fair value of the share options granted is recognized as an employee benefit expense with a corresponding increase in a nondistributable reserve over the vesting period.

The fair value of the share options at grant date is determined by using an adjusted option pricing model which takes into account the exercise price, the exercise dates, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the options. The expected volatility is measured at the grant date of the options and is based on the historical volatility of the share price.

For share-based payment awards with non-vesting conditions, the fair value of the share-based payment at grant date also reflects such conditions and there is no true-up for differences between expected and actual outcomes.

When the options are exercised and new shares are issued, the proceeds received net of any directly attributable transaction costs are credited to share capital (par value) and share premium, with a transfer of the non distributable reserve to share premium.

Notes to the Financial Statements as at 31 December 2021
(in EUR)

2 PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

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.

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.

Notes to the Financial Statements as at 31 December 2021
(in EUR)

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.

Notes to the Financial Statements as at 31 December 2021
(in EUR)

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

On 27/4/2021 Standard & Poor's raised their long-term issuer credit ratings (ICRs) on Eurobank S.A, to 'B+' from 'B' (with stable outlook), and assigned 'B+' issue ratings to Eurobank S.A.'s senior preferred notes. On 16/9/2024 Moody's changed Eurobank's outlook for their Baa2 senior unsecured debt and deposit ratings to positive from stable, following the outlook change to positive from stable in the Government of Greece's Ba1 issuer rating.

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 Company's borrowing from Eurobank Private Bank Luxembourg S.A. for the year 2021 was EURIBOR plus 1,40%. 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. 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.

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 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	--	--
		Less than 1 year		**Over 1 year**	
As at 31 December 2020	CCY	Amount in CCY	Amount in EUR	Amount in CCY	Amount in EUR
Trade and other receivables	USD	429.624	350.115	--	--
Cash and cash equivalents	RSD	64.041	545	--	--
Cash and cash equivalents	USD	1.649.573	1.344.286	--	--

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 202,243 and 165,472 respectively. By comparing the same analysis on the Company's 2019 balances a shift of 10% of the USD rate, would have caused a maximum increase/decrease of EUR 186,384 and 152,496 respectively.

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

Notes to the Financial Statements as at 31 December 2021
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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 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	--	--

As at 31 December 2020	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	--	108.197	--	--

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 2021	**31 December 2020**
Issued and paid-up capital	767.728.500	767.728.500
Share premium	8.904	8.904
Reatained Earnings	41.988.207	60.978.867
Dividend payable	-58.000.000	0
Total comprehensive income for the year	-13.601.433	-18.990.660
Total equity	**738.124.179**	**809.725.611**

Notes to the Financial Statements as at 31 December 2021
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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:

	2021	2020
Opening balance as at 1 January	271.630.678	269.746.668
Share Capital Increase	4.000.000	5.000.000
Disposals	--	(3.500.000)
(Impairment loss) / Reversal of impairment loss	(4.000.000)	384.010
Balance as at 31 December	271.630.678	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 2021
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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 2021	Cost price in euro 2020
1 Eurobank Cyprus Limited Cyprus				
	Opening balance	100%	257.454.482	257.454.482
	Closing balance	100%	257.454.482	257.454.482
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 Eurobank Finance SA Romania				
	Opening balance	80,35%	0	291.986
	(Impairment loss) / Reversal of impairment loss		--	3.208.014
	Liquidation	-80,35%	--	(3.500.000)
	Closing balance	0,00%	0	0

On 15/7/2020 Eurobank Finance SA was liquidated and on 8/10/2020 was officially deleted from the Local Trade Register.

Name		Ownership and voting rights	Cost price in euro 2021	Cost price in euro 2020
4 ERB IT Shared Services S.A. Romania				
	Opening balance	98,90%	2.175.997	--
	(Impairment loss)		(4.000.000)	(2.824.003)
	Share Capital Increase	0,65%	4.000.000	5.000.000
	Closing balance	99,55%	2.175.997	2.175.997

Notes to the Financial Statements as at 31 December 2021
(in EUR)

7 INVESTMENTS IN ASSOCIATES

The movements in the investments in associates are as follows:

	Cost price in euro 2021	Cost price in euro 2020
Opening balance as at January 1,	524.290.616	539.429.886
Additions	--	15.995
Share Capital Decrease	(55.839.226)	--
Reversal of impairment loss / (Impairment loss)	(12.398.792)	(15.155.265)
Loss on Disposal	(47.372.733)	--
Balance as at December 31,	408.679.865	524.290.616

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 2021	Cost price in euro 2020
1 Eurobank A.D. Beograd Serbia				
	Opening balance	42,740%	180.626.464	195.758.445
	Reversal of impairment loss / (Impairment loss)		(12.307.537)	(15.131.981)
	Share Capital Decrease		(55.839.226)	--
	Loss on Disposal		(47.372.733)	--
	Closing balance	23,097%	65.106.968	180.626.464

Name		Ownership and voting rights	Cost price in euro 2021	Cost price in euro 2020
2 ERB Leasing A.D. Beograd Serbia				
	Opening balance	32,99%	190.137	213.314
	Reversal of impairment loss / (Impairment loss)		(91.255)	(23.176)
	Closing balance	32,99%	98.882	190.137
3 Eurobank Bulgaria AD Bulgaria				
	Opening balance	43,850%	343.474.120	343.458.125
	Share purchase	0,002%	--	15.995
	Closing balance	43,852%	343.474.120	343.474.120

Notes to the Financial Statements as at 31 December 2021
(in EUR)

7 INVESTMENTS IN ASSOCIATES (CONTINUED)

			2021	2020
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	0,0000000%	0,19	--
	Acquisition	0,0000003%	0,00	0,19
	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 2021, this item can be detailed as follows:

Name	CCY	Amount in CCY	2021	2020
Dividend receivable (Eurobank A.D. Beograd)	RSD	6.566.200.000	55.843.534	--
EFG International Bermuda Ltd			1	1
EFG Investment II (UK)	USD	429.624	379.326	350.114
* Income tax receivable			230.394	71.249
			56.453.255	421.364

* 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 2021, this item can be detailed as follows:

Description	CCY	Amount in CCY	Rate	2021	2020
Current accounts	USD	1.652.742	0,88292	1.459.246	1.344.286
Current accounts	RSD	64.041	0,00850	545	545
Current accounts	EUR			44.496.310	56.510.627
Impairment due from other credit institutions	EUR			-621	-50.557
				45.955.479	57.804.900

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

Notes to the Financial Statements as at 31 December 2021
(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, 2021, 850,000 shares were issued and fully paid-up (as at 31 December, 2020, 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 2021, the Company's outstanding borrowings are detailed as follows:

Name	Description	CCY	2021	2020
Eurobank Private Bank Luxemburg S.A.	Loan	EUR	43.813.750	43.813.750
			43.813.750	43.813.750

The interest rate applied for the year 2021 was LIBOR and/or EURIBOR plus 1,40%. Effective from 4 January 2021 the rate shall be determined by the Bank (the Lender) two business days pror to each interest period. In the event of the LIBOR and/or EURIBOR being announced for the period equal in lenght to the Interest Period of the Loan is less than zero, then Euribor/Libor shall be deemed to be zero.

12 TRADE AND OTHER PAYABLES

As at 31 December 2021, this item can be detailed as follows:

Name	Description	2021	2020
Other provisions	General and admin. expenses	500.000	500.000
Trade and other payables	General and admin. expenses	281.349	108.197
		781.349	608.197

13 CORPORATE INCOME TAX CREDIT

For the year ended 31 December 2021, this item can be detailed as follows:

	2021
Loss for the year	-13.601.433
- Realized results from participations	-31.276.131
Fiscal profit computation	-44.877.564
- Participation exemption*	(3.798.904)
Taxable amount	**(48.676.468)**
Corporate Income Tax paid during 2021	--
Corporate Income Tax received from previous years	--
Corporate Income Tax position 2021	--

The nominal Corporate income tax rate in the Netherlands is 15% for the first EUR 245,000 and the remaining taxable result 25%.
*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:

	2021	2020
Opening balance	71.249	230.394
Payments made/(receipts) during the year relating to previous years	159.145	(159.145)
Balance as at 31 December 2021	230.394	71.249

The Company has fiscal tax loss available to carry forward as at 31 December 2021 amounting to € 11,621,885. No relevant deferred tax asset has been recognised since management does not expect that the Company will have adequate future taxable profits.

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 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.

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

	Closing balance	
Description	**2021**	**2020**
Current accounts held with subsidiaries / associates	45.066.021	1.195.677
Current accounts held with shareholder / parent entity	890.080	56.659.780
	45.956.101	57.855.457

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

	Closing balance	
Description	**2021**	**2020**
Loan payable	43.813.750	43.813.750
	43.813.750	43.813.750

(c) EQUITY

	Closing balance	
Description	**2021**	**2020**
Dividend payable (Eurobank S.A.)	58.000.000	--
	58.000.000	--

(d) Financial income and expenses

	Closing balance	
Description	**2021**	**2020**
Interest income from sight deposit in credit institutions abroad	2.624	-
Interest income on deposit account held with shareholder (Eurobank S.A.)	--	2.832
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.)	(621.122)	(740.270)
Loss from participation share disposal (EUROBANK DIREKTNA)	(47.372.733)	-
	5.452.997	(737.437)

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 15,000 (2020: 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 2021 (2020: 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 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

2023 was marked by adverse developments in the international economic and geopolitical environment. The open war fronts, and especially the ramifications of the escalation of the conflict in the Middle East, the successive interest rate hikes by the European Central Bank (ECB), and the sustained –albeit easing– inflation pressures have brought the euro area close to stagnation. Despite the adverse international environment, however, the economies of Greece and the other countries in which the Group has a substantial presence remained in expansionary territory in 2023, overperforming their European Union (EU) peers.

Growth in Greece and in other countries of presence is expected to receive a significant boost from EU-funded investment projects and reforms. Following a series of sovereign rating upgrades in the second half of 2023, Greek government's long-term debt securities were considered investment grade by four out of the five Eurosystem-approved External Credit Assessment Institutions (Fitch, Scope, S&P: BBB-, stable outlook; DBRS: BBB(low), stable outlook), and one notch below investment grade by the fifth one, Moody's (Ba1, stable outlook) as of February 2024.

Regarding the outlook for the next 12 months, the major macroeconomic risks and uncertainties in Greece and our region are associated with: (a) the open war fronts in Ukraine and the Middle East, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy, including the disruption in global trade caused by the recent attacks on trading vessels in the Red Sea, (b) a potential prolongation of the ongoing inflationary wave 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 these may entail, (c) the timeline of the anticipated 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 persistently large current account deficits that have started to become once again a structural feature of the Greek economy, (f) the absorption capacity of the Next Generation EU (NGEU) and the EU's long-term budget (MFF) funds and the attraction of new investments in the countries of presence, especially in Greece, (g) the effective and timely implementation of the reform agenda required to meet the Recovery and Resilience Facility (RRF) milestones and targets and to boost productivity, competitiveness, and resilience, (h) potential volatility in the global financial system due to the correction in real estate prices in Western Europe and the United States, (i) the increased geopolitical risk relating to the upcoming national and supernational elections in major economies around the globe resulting in heightened political and economic uncertainty, financial volatility and costs, and (j) 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 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 increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group's 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 2024-2026.

Solvency risk

As at 31 December 2023, the Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios of Eurobank Holdings Group, stood at 19.4% (31 December 2022: 19.2%) and 16.9% (31 December 2022: 16%) respectively. Pro-forma with the completion of projects "Solar" and "Leon" and the issuance of Subordinated Tier II debt instruments in January 2024, the total CAD and CET1 ratios would be 20.2% and 17% respectively. At the same date, the Total CAD and CET1 ratios of the Bank amount to 19.2% (31 December 2022: 18.9%) and 16.1% (31 December 2022: 15.1%) respectively.
The Eurobank Holdings Group completed successfully the 2023 EU-wide stress test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the ECB and the European Systemic Risk Board (ESRB).
On 9 October 2023, the Company completed the buy back of all of its issued shares held by HFSF. Accordingly, the Company and the Bank are no longer subject to Law 3864/2010 and to the special rights of HFSF provided for in the law.

In terms of liquidity, as at 31 December 2023, following the completion of the sale of Eurobank Direktna a.d. disposal group, the Group deposits stood at € 57.8 billion (31 December 2022: € 57.3 billion), while the funding from the ECB refinancing operations amounted to € 3.8 billion (31 December 2022: € 8.8 billion). During the year 2023, the Bank proceeded with the issuance of two preferred senior notes of € 500 million each. More recently, in January 2024, the Parent Company completed the issuance of a € 300 million Subordinated Tier II debt instrument. The rise in high quality liquid assets of the Eurobank Holding Group led the respective Liquidity Coverage ratio (LCR) to 178.6% (31 December 2022: 173%). In the context of the 2024 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 regarding the short term (1 month), the 3-month and the medium-term horizon (1 year).

18 OTHER INFORMATION (CONTINUED)

Post balance sheet events

On 25/07/22 the Company has signed binding agreement (share purchase agreement) with Eurobank SA for the sale of Eurobank Cyprus LTD (the “Transaction”). The Transaction values 100% of Eurobank Cyprus LTD at € 596,925,000.

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

The major macroeconomic risks and uncertainties in Greece are associated with the geopolitical tensions caused mainly by the open war fronts in Ukraine and the Middle East which could potentially escalate, their implications regarding regional and global stability and security, and their repercussions on the global and the European economy, including the disruption in global trade caused by the attacks on trading vessels in the Red Sea. 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 increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group’s capital, asset quality and liquidity standing.

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 2021
(in EUR)

The Board of Managing Directors,

C. Koukoutsaki
S. Psychogios

L.P. Elstershamis
R. Wemmi

Amsterdam, 17 January 2025

ERB NEW EUROPE HOLDING B.V.

Other Information

Statutory provision regarding appropriation of Result

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.

Independent Auditor's report

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

KPMG Certified Auditors S.A.
3 Stratigou Tombra Street
Aghia Paraskevi
153 42 Athens, Greece
Telephone +30 210 6062100
Fax +30 210 6062111
Email: info@kpmg.gr

Report on the Audit of the Financial Statements

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

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 2021, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising 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 2021 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) as incorporated in Greek legislation. 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 as incorporated in Greek legislation, and the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the applicable legislation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 which have been incorporated in Greek legislation will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, which have been incorporated in Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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.

17 January 2025

Athens, Greece