

## **DRAFT MERGER AGREEMENT BY ABSORPTION**

### **OF THE SOCIETE ANONYME UNDER COMMERCIAL NAME "GRIVALIA PROPERTIES Real Estate Investment Company"**

#### **BY THE SOCIETE ANONYME under the corporate name "Eurobank Ergasias S.A." pursuant to Greek Law 2166/1993, Greek Codified Law 2190/1920 and Greek Law 2515/1997**

On 22.02.2019, in Athens, the Boards of Directors of the following companies execute the Draft Merger Agreement of societies anonymes provided in article 69 of C.L. 2190/1920, as follows:

#### **1. DETAILS OF COMPANIES BEING MERGED**

a. Acquiring Company: The Societe Anonyme (credit institution) under corporate name "Eurobank Ergasias S.A" and trade name "Eurobank Ergasias", having its registered seat in Athens, 8 Othonos Str., with General Commercial Registry number 000223001000, (hereinafter "Eurobank"), and is duly represented by the signatories herewith.

b. Absorbed Company: The Societe Anonyme under corporate name "GRIVALIA PROPERTIES Real Estate Investment Company" (Grivalia), having its registered seat in Amaroussion, Attica, 117 Kifissias Avenue and 59-61 Agiou Constantinou Str., with General Commercial Registry number 000239101000 (hereinafter "GRIVALIA"), and is duly represented by the signatories herewith.

#### **2. STRUCTURE OF MERGER: ABSORPTION BY CONSOLIDATION OF LIABILITIES AND ASSETS OF BOTH COMPANIES - APPLICABLE PROVISIONS – RESULTS OF MERGER**

The merger of the two companies shall be conducted by absorption, in accordance with the provisions of articles 68 par. 2, 69-70, 72-77a of the Greek Codified Law 2190/1920, in conjunction with the provisions of articles 1-5 of Greek Law 2166/1993 and the provisions of article 16 of Greek Law 2515/1997, as applicable.

The merger shall be conducted by accounting consolidation of assets and liabilities of the companies being merged and, specifically, by contribution of the assets and liabilities of the Absorbed company to the Acquiring company, as described on the merger balance sheet of 31 December 2018 of the Absorbed company. Following the merger, the above items shall be transferred as items of the Balance Sheet of the Acquiring Company. The verification of the book value of the assets of the Acquiring Company has been conducted by the auditing company "KPMG Certified Auditors S.A." and, in particular, by the Auditor Mr. Anastasios Kyriakoulis (SOEL Reg. No. 39291), based on the merger balance sheet of this company at 31.12.2018, while the verification of the book value of the assets of the Absorbed Company has been performed by the auditing company "PRICEWATERHOUSECOOPERS S.A. CERTIFIED AUDITOR" and, in particular, by the Certified Auditor Mrs. Despoina Marinou (SOEL Reg. No. 17681), based on the merger balance sheet of this company as at 31.12.2018.

On the date of registration with the General Commercial Registry of the resolutions of the General Meeting of Shareholders of the companies being merged, which shall be drawn pursuant to article 72 of C.L. 2190/1920, as well as the final merger agreement, which shall be drawn by means of a notarial instrument, and other documents provided by law, along with the relevant decision of approval of the competent authority ("Date of Merger"), the merger proceedings shall be concluded and the Absorbed Company shall be dissolved, without further liquidation, while the Acquiring Company shall be substituted to all rights and obligations of the Absorbed Company, including any

administrative licenses issued to the Absorbed company. The Acquiring Company shall be considered successor of the Absorbed Company. More specifically:

The Absorbed Company shall transfer all of its assets (assets and liabilities) to the Acquiring Company based on its financial situation reflected in the Merger Balance Sheet dated 31.12.2018 and as it will be formed until the legitimate completion of the merger. In addition, the Absorbed Company transfers to the Acquiring Company any other right, intangible asset, claim, or other asset, even if it is not specifically named or described in the merger agreement with precision, either by omission or mistake, any licenses granted by the authorities as well as the rights or legal relationships arising from any other relevant agreement or legal transaction and which all, upon completion of the merger, shall be wholly owned by the Acquiring Company.

From the Merger Day, the Acquiring Company subrogates ipso jure, in full and without any other formality to the rights, legal relationships and obligations of the Absorbed Company and this transfer shall be treated in the same way as a universal succession and shall be completed without any payment of taxes and duties in accordance with the provisions of Article 3 of Greek Law. 2166/1993 and of article 16 of Greek Law 2515/1997, while any court cases of the Absorbed Company shall be continued by the Acquiring Company without any other formality provided that they shall not be forcefully stopped as a result of the merger.

Upon the completion of the merger, the Absorbed Company shall be deemed to be ipso jure dissolved, with its legal personality disappeared, absent any need of liquidation, and the Acquiring Company shall become the exclusive owner, possessor, holder and beneficiary of every asset of the Absorbed Company.

### **3. VALUE RELATIONSHIP AND SHARES EXCHANGE RATIO**

Based on internationally accepted valuation methods, the resulting value ratio between the Acquiring Company and the Absorbed Company is 1.435170523535670 : 1.

Following the completion of the merger and the (total) share capital increase of the Acquiring Company, the equity participation of the Shareholders of the Merging Companies with the new merging share capital will be 58.93511397517740% (shareholders of the Acquiring Company) and 41.06488602482260% (Shareholders of the Absorbed Company). Accordingly, with respect to the new share capital of the Acquiring Company, amounting to €853,107,225.96, divided into 3,709,161,852 new common registered voting shares of a new nominal value of Euro 0.23 each, 2,185,998,765 shares shall be allocated to the shareholders of the Acquiring Company and 1,523,163,087 to the shareholders of the Absorbed Company.

In accordance with the above, the exchange ratio of 15.80000000414930 new common registered shares of the Acquiring Company for every 1 common registered share of the Absorbed Company is proposed as a fair and reasonable exchange ratio for the shares of the Absorbed Company, while the Shareholders of the Acquiring Company shall retain the number of common shares which they hold prior to the merger.

In order to confirm the share exchange ratio of the merging companies, the Acquiring Company and the Absorbed Company engaged Deloitte Business Solutions S.A. and Ernst & Young (Hellas) Certified Auditors Accountants S.A. respectively to provide an opinion on the fairness and reasonableness of the share exchange ratio. According to the reports of the above-mentioned experts, the proposed share exchange ratio of the Absorbed Company's Shares to the Acquiring Company's Shares was deemed to be fair and reasonable.

Following the completion of the merger, the Shareholders of the Acquiring Company (except the Absorbed Company) shall retain the same number of shares of the Acquiring Company that they held prior to the merger, but with a new nominal value of Euro 0.23 each.

Any resulting fractional number of shares shall be settled by virtue of a decision of the General Meeting of the Acquiring Company, which shall decide with respect to the merger. It is clarified that any fractional numbers of shares do not provide right to receive a fraction of share.

#### **4. ACQUIRING COMPANY'S SHARE CAPITAL POST MERGER**

The share capital of the Acquiring Company amounts to € 655,799,629.50, divided into 2,185,998,765 common registered shares of nominal value of € 0.30 each.

The share capital of the Absorbed Company as it shall be added to the share capital of the Acquiring Company currently amounts to one hundred and sixty four million eight hundred and forty eight thousand six hundred and sixty three and seventeen cents (€ 164,848,663.17) and is divided into ninety six million four hundred and two thousand seven hundred twenty seven (96,402,727) common registered shares of nominal value of one euro and seventy-one cents (€ 1.71) each.

The share capital of the Absorbed Company amounted to € 215,683,800 and was divided into 101,260,000 common registered shares of nominal value € 2.13 each. However, pursuant to the resolution of the extraordinary General Meeting dated 17.12.2018, the following was decided

i. the cancellation of four million eight hundred and fifty seven thousand two hundred and seventy three (4,857,273) own shares through a reduction of the share capital by euro ten million three hundred and forty five thousand nine hundred and ninety one euro and forty nine cents (€ 10,345,991.49) and a reduction of the share premium by euro twenty two million two hundred seven five thousand three hundred twenty six and eighty six cents (€22,275,326.86) ; and

ii. a reduction of the share capital by forty million four hundred eighty nine thousand one hundred and forty five euros and thirty four cents (€ 40,489,145.34) through a reduction of the nominal value of each share by € 0.42, i.e. from € 2.13 to € 1.71 per share and the distribution of this amount to the shareholders.

The relevant amendment of article 5 of the Articles of Association of the Absorbed Company was approved by the Decision under no 6339/18-01-2019 of the Ministry of Economy and Development (ADA: 6259465X18-5K8) and was registered with GEMI on 18.1.2019.

Pursuant to Article 16 of Greek Law 2515/1997 and Article 2 paragraph 2 of Greek Law 2166/1993, the share capital of the Absorbed Company is transferred to the Acquiring Company, which increases its share capital by an amount equal to the share capital of the Absorbed Company. As a result, the sum of the share capital of Eurobank and Grivalia amounts to €820,648,292.67 (€655,799,629.50 plus €164,848,663.17 = €820,648,292.67).

Furthermore, for the purpose of rounding the nominal value of the common shares of Eurobank, the amount of € 32,458,933.29 is capitalized, derived from taxed (in accordance with article 26 of Greek Law 3634/2008) profits, which are recorded in the books of the Acquiring Company in "special taxed reserve accounts" and in particular, an amount of taxed reserves is capitalized (a) by capitalization of the total reserve of twenty four million four hundred and ninety four thousand seven hundred euros and thirty one cents €24,494,700.31, from "taxed reserves from securities, in accordance with article 26 of Greek Law 3634/2008" and (b) by a part of an aggregate reserve of twenty million seventy two thousand two hundred five euros and two cents (€ 20,072,205.02), from

the “taxed reserves from profits, in accordance with article 26 of Greek Law 3634/2008” and in particular a reserve of seven million nine hundred and sixty four thousand two hundred thirty two euros and ninety eight cents (€ 7,964,232.98). In total, an amount of thirty-two million four hundred and fifty-eight thousand nine hundred and thirty-three euros and twenty nine cents (€ 32,458,933.29) is capitalized and, given the above aggregation of the share capital of the merging companies, the final face value of the Acquiring Company’s Shares shall change from € 0.30 to € 0.23.

Following the above, Eurobank's new share capital amounts to eight hundred fifty three million one hundred seven thousand two hundred twenty five euros and ninety six cents (€ 853,107,225.96) divided into three billion seven hundred nine million one hundred and sixty one thousand eight hundred and fifty two (3,709,161,852) common shares of nominal value of €0.23 each.

## **5. ACTIONS AND FINANCIAL REPORTS OF THE ABSORBED COMPANY FROM DECEMBER 31<sup>ST</sup> 2018 TO THE DATE OF MERGER**

Any actions conducted by the Absorbed company from December 31st 2018 to the Date of Merger shall be considered financially as conducted on behalf of the Acquiring company, while its financial results deriving from the above date until completion of the merger procedure shall be considered as results of the Acquiring company, as provided in articles 69 par. 2ε, 74 and 75 of Greek Codified Law. 2190/1920, and in conjunction with article 2 par. 6 of Greek Law. 2166/1993 and 16 of L. 2515/1997 and the relevant amounts shall be transferred to the books of the latter by an aggregated entry on the Date of Merger.

## **6. RESERVES**

Tax-exempted amounts from profits and especially tax-exempted reserves of the Absorbed company shall be transferred and appear intact in the relevant special accounts of the Acquiring company.

## **7. FORMALITY OF DELIVERY OF THE SHARES TO BE ISSUED UPON MERGER**

From the Date of Merger, the Acquiring company shall proceed to necessary actions in order to complete the online entry of dematerialized securities (as provided in applicable legislation) for the total of new shares to be exchanged with older ones. Entitled shareholders shall be informed pursuant to applicable law.

Any resulting fractional balances shall be settled by virtue of a resolution of the General Meeting of the Acquiring Company which shall decide on the merger. It is clarified that any fractional balances do not provide right to receive a fraction of share.

## **8. PROFIT SHARE RIGHTS**

The shares of the Acquiring Company which will be delivered to shareholders of the Absorbed company shall provide profit share rights in relevance with each distribution of dividend conducted from the Date of Merger and onwards.

## **9. SPECIAL RIGHTS - PARTICULAR ADVANTAGES**

The Absorbed Company does not have shareholders with special rights or holders of securities other than shares.

In none of the merging companies are particular advantages provided in favor of the members of their Board of Directors or their statutory auditors.

## **10. MISCELLANEOUS**

All shareholders of the merging companies shall have the right, at least one month before the meeting of the general meeting which is called upon to decide on the Draft Merger Agreement, to be informed at the registered seat of the merging companies with respect to the documents provided for in Article 73 par. 1 subparagraphs a, b and c of the Greek Codified Law 2190/1920.

All the terms of this Draft Merger Agreement by absorption have been agreed upon by the parties in accordance with specific resolutions of the Boards of Directors of the contracting companies. In witness whereof, this Draft Merger Agreement by absorption of Grivalia by the Bank was drawn up and is duly signed by the representatives of the contracting companies.

For the Board of Directors of  
Eurobank

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Harris Kokologiannis

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Apostolos Kazakos

For the Board of Directors of  
Grivalia

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Panagiotis Aristidis Barfis