

REPORT OF THE BOARD OF DIRECTORS  
OF "EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A."  
TO ITS SHAREHOLDERS

pursuant to Article 9 of Greek Law 4601/2019  
regarding the merger, by way of absorption, of  
"EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A."

by  
"EUROBANK S.A."

in accordance with Greek Law 4601/2019, Greek Law 4548/2018, and Greek Law 2515/1997

Dear Shareholders,

The Boards of Directors of "Eurobank S.A." (hereinafter, the "**Absorbing Company**" or the "**Bank**") and "Eurobank Ergasias Services and Holdings S.A." (hereinafter, the "**Absorbed Company**" and, together with the Absorbing Company, the "**Merging Companies**") resolved, at their respective meetings held on 18 December 2024, to initiate the process for the merger, by way of absorption, of the Absorbed Company by the Absorbing Company (hereafter, the "**Merger**"). The Board of Directors of the aforementioned companies publicly announced their intention to proceed with the Merger on 19 December 2024.

### 1. Legal Framework and Merger Procedure

The Merger shall be carried out in accordance with:

- (a) Articles 6 – 21, 30 – 34 and 140 of Greek Law 4601/2019,
- (b) Article 16 of Greek Law 2515/1997, and
- (c) The applicable provisions of Greek Law 4548/2018.

For the purposes of the Merger, the Boards of Directors of the Merging Companies have jointly prepared the draft merger agreement dated 30.04.2025 (hereinafter, the "**Draft Merger Agreement**" or the "**DMA**").

Additionally, each of the Merging Companies has prepared a transformation balance sheet with a reference date of 31 December 2024 (hereinafter, the "**Transformation Balance Sheets**" and each, individually, a "**Transformation Balance Sheet**"), which are appended to the Draft Merger Agreement. Within this context, the Absorbed Company shall contribute to the Absorbing Company (by way of universal succession) the totality of its assets and liabilities, as reflected in its Transformation Balance Sheet.

The determination of the book value of the assets and liabilities of both the Absorbing and the Absorbed Companies was carried out by the audit firm "Deloitte Certified Public Accountants S.A." (SOEL Reg. No. E120), specifically by the statutory auditors Mr. Dimitrios Katsimpokis (SOEL Reg. No. 34671) for the Absorbing Company and Mr. Konstantinos Kakolyris (SOEL Reg. No. 42931) for the Absorbed Company, based on the Transformation Balance Sheets dated 31.12.2024.

The final decision on the approval of the Merger shall be taken by the General Meetings of the Merging Companies in accordance with Article 14 of Greek Law 4601/2019. The Merger process will be completed upon receipt of all necessary approvals and the registration of the relevant notarial deed of Merger with the General Commercial Registry (hereinafter, the "GEMI"), pursuant to Article 18(1) of Greek Law 4601/2019. The resolutions of the General Meetings of the Merging Companies, along with final merger agreement – to be executed in the form of a notarial deed – shall be subject to the publicity formalities set out in Article 16 of Law 4601/2019.

Upon completion of the Merger, the Absorbed Company shall be deemed dissolved automatically, and its legal personality shall cease to exist, without the need for liquidation.

In view of the foregoing, the Board of Directors of the Absorbed Company has prepared this detailed report, which provides an explanation and justification from a legal and financial

perspective of the Draft Merger Agreement, pursuant to the provisions of Article 9 of Greek Law 4601/2019. In particular:

## **2. Rationale for the Merger**

The Merger is aligned with the Group's strategic direction and aims to simplify its corporate and capital structure, with the objective of improving operational efficiency and enhancing flexibility in capital and operations management. The maintenance of two separate legal entities no longer serves a meaningful operational or regulatory purpose, particularly in light of the strengthened capital position of the Group and the significant reduction in non-performing exposures. Through the consolidation, procedural and supervisory requirements are reduced, internal governance is streamlined, and a more efficient allocation of costs and capital is achieved. At the same time, the Merger creates the conditions for faster decision-making and the realization of economies of scale, which enhance the overall efficiency and competitiveness of the Group.

Accordingly, the Merger aims to:

- Simplify the Group's corporate, organizational, and capital structure, with a view to optimizing and rationalizing its operations;
- Achieve cost savings through economies of scale in the operational and administrative expenses of the Merging Companies; and
- Streamline and reduce the processes and conditions required to fulfill obligations arising from applicable supervisory legislation.

The Merger will not affect the Group's consolidated financial figures, as the Absorbed Company directly holds 100% of the Absorbing Company. Moreover, the tax results of the Absorbed Company arising from the date of the Transformation Balance Sheet (31 December 2024) until the completion of the Merger shall be deemed tax results of the Absorbing Company, pursuant to the provisions of Article 16(5) of Greek Law 2515/1997, as in force. The relevant amounts will be transferred from the books of the Absorbed Company to the books of the Absorbing Company through a cumulative entry following the registration of the competent authority's approval with the General Commercial Registry (GEMI).

There are no shareholders of either the Absorbing Company or the Absorbed Company holding any special rights or privileges, nor are there any other beneficiaries of rights in the merging companies, with the exception of the beneficiaries under the Stock Option Plan of the Absorbed Company, which was established pursuant to the resolution of the Ordinary General Meeting of the shareholders of the Absorbed Company dated 28 July 2020, in accordance with Article 113 of Greek Law 4548/2018. The five-year Stock Option Plan, which commenced in 2021, concerns the granting of stock options through the issuance of new shares and corresponding share capital increase. It applies to senior executives and employees of the Absorbed Company and its affiliated entities.

## **Share Capital of the Merging Companies Prior to the Merger**

- The share capital of the Absorbing Company amounts to € 3,941,071,968.10, divided into 3,683,244,830 common registered shares, each with a nominal value of € 1.07.
- The share capital of the Absorbed Company amounts to € 808,881,992.38, divided into 3,676,736,329 common registered shares, each with a nominal value of € 0.22.
- The Absorbed Company directly holds 100% of the share capital of the Absorbing Company and shall retain ownership of all such share capital until the completion of the Merger.
- The net asset value of the Absorbed Company will be determined through a relevant valuation report prepared by statutory auditors, based on the Transformation Balance Sheet.
- The Absorbed Company has approved a Share Buyback Programme (the "**Programme**") pursuant to a resolution of its Annual General Meeting dated 30 April 2025. The Programme shall be valid for a period of 12 months from the day following the date of

approval by the European Central Bank. The Programme will be suspended prior to the approval of the Merger, specifically on the last working day prior to the date on which the General Meetings of the Merging Companies are convened to resolve on the approval of the Merger. On the date of the convening the General Meetings, the number of own shares held by the Absorbed Company will be finalised. Said own shares shall be cancelled upon completion of the Merger, in accordance with Article 18(5)(b) of Greek Law 4601/2019.

#### **Share Exchange Ratio Between the Shares of the Absorbed Company and the Absorbing Company Following the Merger**

- Since the Absorbed Company holds 100% of the share capital of the Absorbing Company, the Merger will result in the transfer to the Absorbing Company of all existing shares of the Absorbing Company, pursuant to Article 49(4)(b) of Greek Law 4548/2018. By resolution of the General Meeting of the Absorbing Company approving the Merger, such shares shall be cancelled, with a corresponding reduction of the share capital of the Absorbing Company. Simultaneously, the new common registered shares of the Absorbing Company that will be issued in the context of the Merger will be allocated exclusively to the shareholders of the Absorbed Company.
- In this context, the proposed share exchange ratio shall be one (1) new common registered share of the Absorbing Company for each one (1) common registered share of the Absorbed Company (the “**Exchange Ratio**”).
- For the purposes of assessing the fairness and reasonableness of the above Exchange Ratio between the shares of the Merging Companies, the Absorbing Company and the Absorbed Company assigned to the audit firm “Deloitte Certified Public Accountants S.A.” (SOEL Reg. No. E120), specifically the statutory auditors Mr. Dimitrios Katsimpoki (SOEL Reg. No. 34671) and Mr. Konstantinos Kakolyris (SOEL Reg. No. 42931), accordingly to issue an opinion on the fairness and reasonableness of the proposed Exchange Ratio. According to the reports of the aforementioned experts, the proposed Exchange Ratio between the shares of the Absorbed Company and those of the Absorbing Company was deemed fair and reasonable.
- Given that all shares of the Absorbing Company are held by the Absorbed Company, upon completion of the Merger, all shares of the Absorbing Company will be held by the shareholders of the Absorbed Company. Therefore, it is not necessary to provide information regarding the valuation methods used to determine the proposed share exchange ratio, as the Exchange Ratio is objectively fair and reasonable.

#### **Share Capital of the Absorbing Company upon Completion of the Merger**

- (a) The share capital of the Absorbed Company shall be contributed to the Absorbing Company in accordance with Article 16(5) of Greek Law 2515/1997.
- (b) Pursuant to Article 18(5)(b) of Greek Law 4601/2019, the own shares of the Absorbed Company shall not be exchanged for new shares of the Absorbing Company and shall be automatically cancelled upon completion of the Merger. Consequently, the share capital of the Absorbing Company shall not be increased (or decreased) by the corresponding amount. Since the Absorbed Company holds 100% of the share capital of the Absorbing Company, the Merger will result in the transfer to the Absorbing Company of all existing shares of the Absorbing Company in accordance with Article 49(4)(b) of Greek Law 4548/2018. By resolution of the General Meeting of the Absorbing Company approving the Merger, the shares of the Absorbing Company that are transferred to the Absorbing Company shall be cancelled, resulting in a reduction of the Absorbing Company’s existing share capital amounting to € 3,941,071,968.10, along with a corresponding write-off of the acquisition cost recorded by the Absorbed Company in relation to the Absorbing Company. The remaining acquisition cost shall be charged against equity in the books of the Absorbing Company.
- (c) Simultaneously, the share capital of the Absorbing Company shall be increased by an amount to be determined based on the final Share Capital of the Absorbed Company, after deducting the nominal value of any own shares acquired up to the date of the convening the General Meetings. This increase shall be effected through the issuance of

new common registered shares, each with a nominal value of € 0.22. It is noted that the share capital of the Absorbed Company is expected to have increased by the time of the convening the General Meetings due to the exercise of stock option rights.

- (d) As the exact number of own shares held by the Absorbed Company will be determined at the time of the convening the General Meetings, the final amount of the share capital increase of the Absorbing Company and the number of new shares to be issued will be adjusted accordingly. Therefore, the share capital of the Absorbing Company upon completion of the Merger will be determined based on the final number of shares to be issued and allocated to the shareholders of the Absorbed Company, as this will result from the final number of own shares held by the Absorbed Company and the number of shares issued upon the exercise of stock option rights.

The Absorbing Company shall take all necessary actions to amend its Articles of Association to reflect the changes provided for in the Draft Merger Agreement.

Tax-free reserves from profits and specially designated tax-exempt reserves of the Absorbed Company shall be transferred and recorded in equivalent special accounts of the Absorbing Company. All reserves of the Absorbed Company, as shown in the Transformation Balance Sheet, including special tax, exempt reserves from undistributed profits, other tax-exempt reserves, tax-exempt profit allocations, and all other reserves on a tax basis shall be transferred and recorded in equivalent special accounts of the Absorbing Company.

### **3. Listing of the Absorbing Company's Shares on the Athens Exchange – Effects of the Merger**

1. Prior to the approval of the Merger as described above, the Absorbing Company shall submit an application to the Athens Stock Exchange for the listing of its shares. Specifically, the existing shares of the Absorbing Company shall be admitted to trading on the Athens Stock Exchange under suspension, subject to compliance with the free float requirements set forth in the Athens Exchange Rulebook and completion of the Merger. Upon completion of the Merger and the share capital increase of the Absorbing Company, the newly issued shares shall be listed on the Athens Stock Exchange. Trading of the Absorbing Company's shares will commence upon the lifting of the suspension.
2. On the date of registration with the General Commercial Registry (GEMI) of the notarial deed of the Merger along with the relevant approval decision by the competent authority (hereinafter, the "**Merger Completion Date**"), the Merger process shall be completed, and the following effects shall occur automatically and simultaneously, both for the Absorbed and the Absorbing Company and vis-à-vis third parties:
  - (a) The Absorbed Company shall, in accordance with Article 16(7) of Greek Law 2515/1997, transfer its entire estate (assets and liabilities) to the Absorbing Company, based on its financial condition as reflected in the Absorbed Company's Transformation Balance Sheet and as further described in the notarial deed of the Merger, as such estate shall have developed by the Merger Completion Date. Accordingly, the Absorbed Company shall transfer to the Absorbing Company all rights, intangible assets, claims, or any other assets, even if not expressly named or accurately described in the present document, the Transformation Balance Sheet, or the notarial deed of the Merger, whether due to omission or oversight, including all types of licenses granted by authorities, as well as any rights, obligations, or legal relationships arising from any related agreement or legal act, all of which shall be transferred in full ownership to the Absorbing Company as of the Merger Completion Date. As a result, as of the Merger Completion Date, the Absorbing Company shall become the full owner, possessor, holder, and beneficiary of all movable and immovable assets of the Absorbed Company, its claims against third parties from any cause whatsoever, and all other elements of its estate, including all of its liabilities.
  - (b) The Absorbing Company shall, by operation of law, fully and without any further formalities, succeed to all rights, legal relationships, and liabilities of the Absorbed Company through universal succession and without the imposition of taxes or duties, in accordance with Article 16 of Greek Law 2515/1997 and Article 18(2) of Greek Law 4601/2019, as in force.

- (c) Any pending litigation of the Absorbed Company shall continue automatically in the name of the Absorbing Company, without any further procedural steps. With respect to proceedings conducted abroad, the Absorbing Company shall take any action or step required or prescribed by the applicable foreign procedural law in order to substitute itself for the Absorbed Company and to ensure the continuation of the proceedings in its own name.
- (d) Registration of real estate and *in rem* rights transferred to the Absorbing Company shall be effected in accordance with paragraphs 8 and 9 of Article 16 of Greek Law 2515/1997, as in force.
- (e) Rights, obligations, and general legal relationships of the Absorbed Company governed by foreign law shall be transferred to the Absorbing Company by operation of law in accordance with the provisions of Article 16 of Greek Law 2515/1997 and Article 18 of Greek Law 4601/2019, as in force, and under the applicable Greek law (*lex societatis*).
- (f) In the event that the applicable foreign law does not recognize universal succession as defined under Greek transformation law, or requires the performance of additional acts or formalities by either the Absorbed or the Absorbing Company, the Absorbing Company shall undertake all necessary actions in accordance with the requirements of such foreign law in order to ensure the effective substitution of the Absorbing Company with respect to such rights and obligations, and the transfer—until full substitution is effected—of all relevant financial results to the Absorbing Company.
- (g) The reserves of the Absorbed Company, as reflected in the Transformation Balance Sheet, including any special tax-exempt reserves from undistributed profits, other tax-exempt reserves, tax-exempt profit allocations, and in general all reserves recorded in the tax accounts of the Absorbed Company, shall be transferred to and reflected unchanged in corresponding special accounts of the Absorbing Company.
- (h) All carried-forward tax losses of the Absorbed Company shall be transferred to the Absorbing Company under the same conditions as would have applied to the Absorbed Company had the Merger not taken place.
- (i) The employees of the Absorbed Company shall be transferred to the Absorbing Company, which shall automatically assume the position of employer in substitution of the Absorbed Company. The employees shall be duly and timely informed of the Merger in accordance with applicable law.
- (j) The Stock Option Plan for the acquisition of shares (hereinafter, the “Stock Option Plan”) established by the Absorbed Company shall be transferred to the Absorbing Company. The continuation and implementation of the Stock Option Plan by the Absorbing Company shall be submitted for approval to the General Meeting of the shareholders of the Absorbing Company, which shall also decide on the approval of the Merger, in accordance with Article 113 of Law 4548/2018.
- (k) The shareholders of the Absorbed Company shall become shareholders of the Absorbing Company, receiving the new shares to be issued by the Absorbing Company in the context of the Merger in accordance with the Exchange Ratio described in Clause 4.2 hereof.
- (l) The Absorbed Company shall be automatically dissolved, with its legal personality ceasing to exist, without liquidation, and its shares shall be delisted from the Athens Exchange.

Completion of the Merger is subject to receipt of all necessary corporate and regulatory approvals required under the applicable law.

For the listing of the existing shares of the Absorbing Company on the Athens Stock Exchange, a prospectus will be issued and published in accordance with Regulation (EU) 2017/1129, following the approval of the Hellenic Capital Market Commission. The prospectus will include, among other things, the necessary information required to inform the investing public about the Merger in accordance with applicable legislation.

Following completion of the Merger, the Absorbing Company shall take all necessary actions for the electronic registration of the dematerialised securities (as required under applicable law) in the Dematerialised Securities System (DSS), operated by the Hellenic Central Securities Depository S.A., and for the delivery of the Absorbing Company’s shares to the shareholders of

the Absorbed Company in accordance with the aforementioned exchange ratio (one (1) share of the Absorbed Company for one (1) share of the Absorbing Company). Eligible shareholders shall be notified in accordance with the applicable legislation.

For all the reasons set out above, the Board of Directors of the Absorbed Company considers that the Merger is fully justified from both a legal and financial perspective and serves the corporate interest of the Absorbed Company. Accordingly, it submits the present explanatory report to the General Meeting of the shareholders of the Absorbed Company and recommends the adoption of a resolution approving the Draft Merger Agreement prepared by the Board of Directors, this Report, and the proposed Merger in its entirety.

*Athens, 30.04.2025*

*FOR THE BOARD OF DIRECTORS OF  
"EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A."*

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Emmanouil Deligiannis

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Antonios Spyridon Kouleimanis