EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

INTERIM FINANCIAL REPORT

for the period from

January 1st to June 30th, 2023

According to
Article 5 of the Law 3556/2007

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Statements of Members of the Board of Directors (according to the article 5 par. 2 of the Law 3556/2007)

We declare that to the best of our knowledge:

- the financial statements for the six months period ended 30 June 2023, which have been prepared in accordance with the applicable accounting standards, present fairly the assets, liabilities, equity and results of the Eurobank Ergasias Services and Holdings S.A. and the companies included in the consolidation, and

- the report of the Board of Directors for the same period presents fairly the information required under paragraph 6 of article 5 of Law 3556/2007.

Athens, 4 August 2023

Georgios P. Zanias	**Fokion C. Karavias**	**Stavros E. Ioannou**
I.D. No AI – 414343	I.D. No AI - 677962	I.D. No AH - 105785
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	DEPUTY CHIEF EXECUTIVE OFFICER

The Directors present their report together with the financial statements for the six months ended 30 June 2023 that have been reviewed by the Company's external auditors.

General information
Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings) is a holding company listed on the Athens Exchange, owning 100% of the share capital of Eurobank S.A. (the Bank). Eurobank Holdings and its subsidiaries form a group (Group), consisting mainly of Eurobank S.A. Group, that being the Bank and its subsidiaries. The Company's operations principally relate to the strategic planning of the non-performing loans management and the provision of services to the Group entities and third parties.

Financial Results Review and Outlook[1]
In the first half of 2023, amid a positive macroeconomic backdrop in Greece and the other countries of substantial presence, the Group produced a set of solid results across most of the areas which underline the strengths of its business model, based on diversification of revenue streams. The Group enhanced its core profitability, strengthened its capital adequacy and liquidity position and protected its asset base.

As at 30 June 2023 total assets remained stable at €81.5bn compared to 31 December 2022 with gross customer loans, following the classification of Eurobank Direktna a.d. (Serbia) disposal group as held for sale and the acquisition of BNP Paribas Personal Finance Bulgaria, amounting to €42.2bn (Dec. 2022: €43.5bn) and investment securities reaching €13.6bn (Dec. 2022: €13.3bn). Out of the total loan portfolio, €27.8bn has been originated from Greek operations (Dec. 2022: €28.2bn), €9.8bn from international operations (Dec. 2022: €10.4bn) and €4.6bn refer to senior and mezzanine notes of the Pillar, Cairo and Mexico securitizations (Dec. 2022: €4.9bn). Business (wholesale and small business) loans stood at €24.2bn (Dec. 2022: €25bn) and accounted for 57% of total Group loans, while loans to households reached €13.4bn (Dec. 2022: €13.6bn), of which 75% is the mortgage portfolio and the rest are consumer loans. Group deposits, following the classification of Eurobank Direktna a.d. disposal group as held for sale, reached €55.9bn (Dec. 2022: €57.2bn) with those from Greek operations amounting to €39bn (Dec. 2022: €39.6bn), while international operations contributed with €16.9bn (Dec. 2022: €17.7bn). As a result, the (net) loan–to–deposit (L/D) ratio stood at 72.6% for the Group (Dec. 2022: 73.1%) and at 79.1% for Greek operations (Dec. 2022: 79.5%). The funding from the European Central Bank (ECB) refinancing operations reduced by €1.4bn to €7.4bn (Dec. 2022: €8.8bn) (note 21 of the consolidated financial statements). During the period, in the context of the implementation of its medium-term strategy to meet the Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL), the Bank proceeded with the issuance of a preferred senior note of €500m at a coupon of 7% which matures in January 2029 (note 4 of the consolidated financial statements). The Group Liquidity Coverage ratio (LCR) maintained at high level reaching 174.2% (31 December 2022: 173%).

Pre-provision Income (PPI) amounted to €999m or €888m excluding the €111m gain on investment in Hellenic Bank (Cyprus) accounted for as an associate (first half of 2022[2]: €1,390m or €1,065m excluding the €325m gain on sale of Bank's merchant acquiring business (project "Triangle")), while core pre-provision income (Core PPI) increased by 76% year-on-year to €870m (first half of 2022[2]: €494m). Net interest income (NII) grew by 56.2% to €1,043m (first half of 2022[2]: €667m), mainly driven by the higher interest rates, the organic loans growth and the increased positions in investment bonds partly offset by higher debt issued and deposits cost. Net interest margin (NIM) stood at 2.63% (first half of 2022[2]: 1.75%) with the second quarter reaching 2.72%. Fees and commissions expanded by 10% to €270m (first half of 2022[2]: €246m), of which banking fees and commissions by 12.6% to €222m (first half of 2022[2]: €197m), mainly due to the increased fees from lending activities and despite the negative impact from merchant acquiring disposal. Fees and commission accounted for 68bps of total assets (first half of 2022[2]: 65bps). Operating expenses increased by 5.7% to €443m (first half of 2022[2]: €419m) due to higher costs by 21.7% from international operations amounting to €121m (first half of 2022[2]: €99m) mainly affected by inflationary pressures and IT infrastructure projects, while in Greece slightly increased by 0.8% to €322m (first half of 2022: €320m). The cost to income (C/I) ratio for the Group reached 33.3%, excluding the €111m gain on investment in Hellenic Bank (first half of 2022[2]: 28.2%, excluding the €325m gain on project "Triangle"), while the international operations C/I ratio stood at 34% (first half of 2022[2]: 44%). The respective cost to core income[3] ratio for the Group improved at 33.8% compared to 45.9%[2] in the first half of 2022.

Trading and other activities recorded net income of €129m (first half of 2022[2]: €896m income) including a) €55m gain from investment securities at FVOCI net of hedging effect (first half of 2022[2]: €21m loss), b) €22m loss from trading activities (first half of 2022[2]: €626m gain, out of which €550m realised gains from the unwinding of interest rate swaps, following the reassessment of Group's hedging strategies and €70m gains from short positions in debt instruments) and c) other income of €96m out of which €111m gain on investment in Hellenic Bank (associate) and €8m modification loss related to a reward initiative for eligible housing loan clients, which introduced "a cap" in the floating rate loans' applicable base rates for a period of 12 months (first half of 2022[2]: €291m gain including €325m gain on project "Triangle").

During the period, the NPE formation was positive by €140m (second quarter 2023: €133m positive, out of which €119m referring to a single corporate customer), (first half of 2022[2]: €10m negative). In total, the Group's NPE stock slightly decreased to €2.2bn, following the classification of Eurobank Direktna a.d. disposal group as held for sale and other initiatives (31 December 2022: €2.3bn) with the NPE ratio remaining stable at 5.2% compared

[1] Definitions of the selected financial ratios and the source of the financial data are provided in the Appendix.
[2]The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation.
[3] Total operating expenses divided by total core income.

 € = Euro m = million bn = billion

to 31 December 2022. The NPE coverage ratio stood at 73.2% (31 December 2022: 74.6%). The loan provisions (charge) reached €164m and corresponded to 0.81% of average net loans (first half of 2022[2]: €120m which corresponded to 0.63% of average net loans).

Furthermore, the Group recognised in the first half of 2023 other impairment losses and provisions amounting to €33m (first half of 2022[2]: €32m), which are analysed in a) €25m on real estate properties mainly attributable to the remeasurement loss upon classification of the subsidiary IMO Property Investments Sofia E.A.D. as held for sale, the disposal of which was completed in May 2023, b) €14m for litigations and other operational risk events and c) €6m income due to the decrease of impairment allowance on bonds mainly related to Russian and Romanian debt exposure, and restructuring costs of €13m (first half of 2022[2]: €61m) (note 11 of the consolidated financial statements). In addition, as of March 2023 the Group, following the agreement for the disposal of the Bank's 70% shareholding in its subsidiary in Serbia, Eurobank Direktna, proceeded with its classification as held for sale and presentation as a discontinued operation and recorded €16m loss after tax attributable to shareholders.

Profit or Loss
Overall, in the first half of 2023, the profit attributable to shareholders amounted to €684m (first half of 2022: €941m profit), as set out in the consolidated income statement. The adjusted net profit, excluding the €111m gain on investment in Hellenic Bank accounted for as an associate, the €16m net loss from discontinued operations and the €9m restructuring costs (after tax), amounted to €599m for the Group (first half of 2022[2]: €755m), of which €205m (first half of 2022[2]: €97m) was related to international business. The Return on Tangible Book Value (RoTBV) amounted to 17.9% (first half of 2022[2]: 11.2%, after deducting €437m non-recurring trading gains after tax mainly from derivative financial instruments).

Going forward, the Group, pursues its objectives set out in the business plan for the period 2023-2025, which includes targets for a) loans organic growth, b) the further strengthening of the core profitability (EPS and RoTBV), c) improvement of the asset quality ratios, d) solid organic capital generation adequate to support the business growth, and e) the initiation of dividend distribution in the form of cash dividends and/or share buybacks, subject to regulatory approval, mainly through the following initiatives and actions:

a) Higher NII mainly driven by the positive effect of the interest rates' increase and the sustainable growth in loan volumes and the increase, at a relatively lower pace, of customer deposits,
b) Organic increase of Group's performing loans mainly through business lending,
c) Growth of fee and commission income in a number of fee business segments such as lending, network and assets under management activities, bancassurance, card's issuing and investment property rentals,
d) Initiatives for pursuing further operating efficiency, cost containment of "run the bank" activities, and proceeding with further simplification and digitalisation in Greece and abroad, maintaining the annual increase of the operating expenses at a low to mid-single digit %, considering the inflationary pressures and the "grow the bank" needs,
e) Maintaining low NPE ratios with high coverage levels in all core markets in which the Group has presence, which may be challenged by the higher interest rates and inflationary pressures' impact on households disposable income and corporate profit margins,
f) Strengthening core markets presence and increasing earnings contribution by international activities through organic growth and the exploration of potential market opportunities,
g) Major transformation initiatives introduced in the context of the Group's transformation plan "Eurobank 2030",
h) Support the green transition and financial inclusion through the adoption of the Environment, Social and Governance (ESG) criteria in all Group's activities and processes.

The geopolitical and macroeconomic risks, mainly related with the prolongation of the inflationary wave and the impact of interest rate hikes on both households and businesses, set a number of challenges to the achievement of the Group's 2023-2025 Business Plan, mainly related with growth potential, lending margins, deposit rates, asset quality and operating cost. The headwinds coming from the geopolitical upheaval and the macroeconomic environment are likely to be mitigated by:
a) The efficient mobilization of the already approved EU funding, mainly through the Recovery and Resilience Facility (RRF),
b) The substantial pipeline of new investments,
c) The decrease of the unemployment rate in 2023 to its lowest level in the last twelve years,
d) The positive developments in the tourism sector and the strong investment inflows,
e) The expected upgrade of the Greek sovereign to investment grade by year, end
f) The potential upside, related with the interest rates' increase impact on the profitability of the Group.
(see also further information in the section "Macroeconomic Outlook and Risks")

Capital adequacy
As at 30 June 2023, the Group's Total Regulatory Capital amounted to €8bn (31 December 2022: €8bn) and accounted for 18.2% (total CAD) of Risk Weighted Assets (RWA) (Dec. 2022: 19.2%), compared to the CAD Overall Capital Requirements (OCR) ratio of 14.50%[4]. Respectively, the Common Equity Tier 1 (CET1) stood at 15.6% of RWA (Dec. 2022: 16%) compared to the CET1 OCR ratio of 9.80%[4]. Both total CAD and CET1 ratios carried the effect of the ending of the 5-year transition period for the recognition of the IFRS 9 impact on the regulatory

[4] The 'Overall capital requirement (OCR)' is the sum of the total SREP capital requirement (TSCR) and the combined capital buffer requirement.

capital and the reversion to the standardized approach as of 1 March 2023. Pro-forma with the completion of project "Solar" and the sale of Eurobank Direktna a.d. disposal group, the total CAD and CET1 ratios would be 18.8% and 16.1% respectively. In addition, accounting for the estimated impact from the share buyback and a new synthetic securitization, the pro- forma CET 1 and Total CAD ratios for 30 June 2023 would be 16.3% and 19%, respectively (note 4 of the consolidated financial statements). As at 30 June 2023, the Bank's MREL ratio at consolidated level stands at 23.17% of RWAs (Dec. 2022: 23.07%), higher than the interim non-binding MREL targets of 20.53% and 22.93%, which are applicable from January 2023 and January 2024, respectively (note 4 of the consolidated financial statements).

2023 Stress Test Results
On 28 July 2023, the Company announced that Eurobank Holdings Group successfully completed the 2023 EU-wide Stress Test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). Eurobank has significantly improved its results and resilience to stress under the adverse scenario compared to the ST 2021 exercise.

The starting point of the exercise is the financial and capital position of the Group as at 31 December 2022, as calculated based on the Standardised Approach (STD). On that date, the Fully Loaded (FL) CET 1 ratio (based on the full implementation of Basel III rules) amounted to 14.4%. Under the Baseline scenario, the FL CET1 ratio increases by 360bps over the 3-year ST horizon, reaching the level of 18% at the end of 2025. Under the Adverse scenario, the FL CET1 ratio decreases by 220bps at the end of 2025 and it stands at 12.2%, while at the end of the first year (2023) the Group registered its highest FL CET 1 ratio capital depletion, at 316bps.

International Activities
The Group has a significant presence in three countries apart from Greece. In Cyprus, Eurobank Cyprus Ltd (Eurobank Cyprus) operates a network of 8 banking centres in all major cities across the island, and has five main pillars of business namely, corporate banking, wealth management, international business banking, global markets and affluent banking. In Luxembourg, Eurobank Private Bank Luxembourg S.A. in parallel to its operations in Luxembourg, operates a branch in London and a representative office in Athens, which starting with July 2023 will be operating as branch as well, and offers products and services to private banking customers, fund management services, as well as tailored made corporate banking services. In Bulgaria, Eurobank Bulgaria AD (Postbank), is a universal bank offering a wide range of banking services to individuals and companies, through a network of 235 branches and business centres.

On 2 March 2023, the Bank announced that it signed a binding share purchase agreement with AIK Banka a.d. Beograd (AIK) for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. The sale was considered highly probable and consequently, as of 31 March 2023 the assets of Eurobank Direktna a.d. and the associated liabilities, which form part of the share purchase agreement, were classified as held for sale and presented as a discontinued operation. The transaction is consistent with Eurobank's strategy to direct capital to opportunities with more compelling RoTBV and to further enhance its presence in its core markets. Following the receipt of the required regulatory approvals by the end of July 2023, the transaction is expected to be completed within 2023, after the fulfilment of specific conditions in accordance with the aforementioned share purchase agreement (note 13 to the consolidated financial statements).

On 4 April 2023 the Bank announced that, after the receipt of the relevant regulatory approvals, it has completed the acquisition of an additional 13.41% holding in Hellenic Bank Public Company Limited ("Hellenic Bank"), a financial institution located in Cyprus, for a consideration of €70m. Following that, the total holding in Hellenic Bank including the previously held participation of 15.8% on the above date, reached 29.2% and the Group is considered to have significant influence over the entity. Therefore, the investment in Hellenic Bank is accounted for as a Group's associate as of the second quarter of 2023 (note 18 to the consolidated financial statements).

Further to the announcement on 9 December 2022, Eurobank Holdings announced on 1 June 2023 that the acquisition of BNP Paribas Personal Finance Bulgaria by Postbank, was completed on 31 May 2023, following the receipt of the approvals by all competent regulatory authorities. This transaction strengthens Postbank's position in the Bulgarian retail sector, while it also provides significant opportunities for cross-selling, given BNP Paribas Personal Finance Bulgaria's clientele of more than 300 thousand clients. BNP Paribas Personal Finance Bulgaria customers will continue to enjoy high quality services through the same service network and in the near future, during which the operational integration is expected to be completed, they will be able to use the extended Postbank branch network (note 17.2 to the consolidated financial statements).

The prospects for the performance of Group's International Operations remain positive despite the challenges in the global economic and geopolitical environment. International Operations business model and solid fundamentals allow to effectively respond to the challenges, safeguarding their profitability, promote sustainable prosperity in the local communities and create value for their clients, employees, shareholders, and the society at large.

Risk management
The Group acknowledges that taking risks is an integral part of its operations in order to achieve its business objectives. Therefore, the Group's management sets adequate mechanisms to identify those risks at an early stage and assesses their potential impact on the achievement of these objectives.

Due to the fact that economic, industry, regulatory and operating conditions will continue to change, risk management mechanisms are set in a manner that enable the Group to identify and deal with the risks associated with those changes. The Bank's structure, internal processes and existing control mechanisms ensure both the independence principle and the exercise of sufficient supervision.

The Group's Management considers effective risk management as a top priority, as well as a major competitive advantage, for the organization. As such, the Group has allocated significant resources for upgrading and maintaining its policies, methods and infrastructure up to date, in order to ensure compliance with the requirements of the European Central Bank (ECB) and of the Single Resolution Board (SRB), the guidelines of the European Banking Authority (EBA) and the Basel Committee for Banking Supervision as well as the best international banking practices. The Group implements a well-structured credit approval process, independent credit reviews and effective risk management policies for all material risks it is exposed to, both in Greece and in each country of its international operations. The risk management policies implemented by the Group are reviewed on a regular basis.

Risk culture is a core element of the organisation. Risk management function provides the framework, procedures and guidance to enable all employees to proactively identify, manage and monitor the risks in their own areas and improve the control and co-ordination of risk taking across their business. Ongoing education, communication and awareness takes place via dedicated learning programs, monthly meetings, sharing of best practices and other initiatives. The Group has also a policy in place to address any risks associated with the introduction, significant modifications and periodic monitoring of its products and services.

The amount of risk which the Group is willing to assume in the pursuit of its strategic objectives is articulated via a set of quantitative and qualitative statements for risks assessed as material, that are described in the Group's Risk Appetite Framework. The objectives are to support the Group's business growth, balance a strong capital position with higher returns on equity and to ensure the Group's adherence to regulatory requirements. The Risk Appetite, that is clearly communicated throughout the Group determines risk culture and forms the basis on which risk policies and risk limits are established at Group and regional level. Within the context of its Risk Appetite Framework, the Bank has further enhanced the risk identification process and the risk materiality assessment methodology. The identification and the assessment of all risks is the cornerstone for the effective Risk Management. The Group aiming to ensure a collective view on the risks linked to the execution of its strategy, acknowledges the new developments at an early stage and assesses the potential impact.

The Board Risk Committee (BRC) is a committee of the Board of Directors (BoD) and its task is to advise and support the BoD regarding the monitoring of Group's overall actual and future risk appetite and strategy, taking into account all types of risks to ensure that they are in line with the business strategy, objectives, corporate culture and values of the institution. The BRC assists the BoD in overseeing the implementation of Group's risk strategy and the corresponding limits set. It also oversees the implementation of the strategies for capital and liquidity management as well as for all other relevant risks, such as credit and market risks, non-financial risks such as operational, reputational conduct, legal, cyber, outsourcing climate and environmental, in order to assess their adequacy against the approved risk appetite limits. The BRC consists of five (5) non-executive directors, meets on a monthly basis and reports to the BoD on a quarterly basis and on ad hoc instances if it is needed.

The Management Risk Committee (MRC) is a management committee established by the Chief Executive Officer (CEO) and its main responsibility is to oversee the risk management framework of the Group. As part of its responsibilities, the MRC facilitates reporting to the BRC on the range of risk-related topics under its purview. The MRC proactively supports the Group Chief Risk Officer, Chairman of the MRC, to identify material risks, in addition to those identified independently by the Group CRO and the Group Risk Management General Division, and to promptly escalate them to the BRC and assists the Group CRO in ensuring that the necessary policies and procedures are in place to prudently manage risk and to comply with regulatory requirements.

In the context of the climate risk stress testing process, the MRC is responsible to review, challenge and agree on the material climate risks identified in the risk identification process as well as the transition scenarios and physical risk events developed in the scenario design process. Further to MRC's clearance, appropriate management actions are proposed to the Executive Board Committee ("ExBo") and consequently to the BRC for review, challenge and approval.

The Group's Risk Management General Division which is headed by the Group Chief Risk Officer (GCRO), operates independently from the business units and is responsible for the identification, assessment, monitoring, measurement and management of the risks that the Group is exposed to. It comprises of the Group Credit General Division (GCGD), the Group Credit Control Sector (GCCS), the Group Credit Risk Capital Adequacy Control Sector (GCRCACS), the Group Market and Counterparty Risk Sector (GMCRS), the Group Operational Risk Sector (GORS), the Group Model Validation and Governance Sector (GMVGS), the Group Risk Management Strategy Planning and Operations Sector (GRMSPO), the Supervisory Relations and Resolution Planning Sector (SRRPS), the Group Climate Risk Division (GCRD) and the Risk Analytics Division (RAD).

As part of its overall system of internal controls, Eurobank Ergasias Services and Holdings S.A. has engaged in a Service Level Agreement (SLA) with Eurobank S.A. (the banking subsidiary of the Group) in order to receive supporting and advisory services in all areas of risk management undertaken by the Group.

The most important types of risk that are addressed by the risk management functions of the Group are:

Credit Risk
Credit risk is the risk that a counterparty will be unable to fulfill its payment obligations in full when due. Credit risk is also related with country risk and settlement risk. Credit risk arises principally from the wholesale and retail lending activities of the Group, as well as from credit enhancements provided, such as financial guarantees and letters of credit. The Group is also exposed to credit risk arising from other activities such as investments in debt securities, trading, capital markets and settlement activities. Taking into account that credit risk is the primary risk the Group is exposed to, it is very closely managed and monitored by specialised risk units, reporting to the GCRO.

The credit review and approval processes are centralized both in Greece and in the International operations following the "four-eyes" principle and specific guidelines stipulated in the Credit Policy Manual and the Risk Appetite Framework. The segregation of duties ensures independence among executives responsible for the customer relationship, the approval process and the loan disbursement, as well as monitoring of the loan during its lifecycle. The credit approval process in Corporate Banking is centralized through the establishment of Credit Committees with escalating Credit Approval Levels, which assess and limit to the extent possible the corporate credit risk. Rating models are used in order to calculate the credit rating of corporate customers, reflecting the underlying credit risk. The most significant ones are the MRA (Moody's Risk Analyst) applied for companies - mostly- with industrial and commercial activity and the slotting rating models, used for specialised lending portfolios (shipping, real estate and project finance) with ring fenced transactions. Credit risk assessment is performed by Group Credit General Division (GCGD), which assesses the credit requests submitted by the Business Units, a procedure including the evaluation of the operational and financial profile of the customer, the validation of the borrower's rating and the identification of potential risk factors for the Bank.

The credit review and approval processes for loans to Small Businesses (turnover up to €5m) are also centralised following specific guidelines and applying the 'four-eyes' principle. The assessment is primarily based on the analysis of the borrower's operational characteristics and financial position. The same applies for Individual Banking (consumer and mortgage loans), where the credit risk assessment is based on criteria related to the characteristics of the retail portfolio, such as the financial position of the borrower, the payment behaviour, the existence of real estate property and the type and quality of securities.

The ongoing monitoring of the portfolio quality and of any deviations that may arise, lead to an immediate adjustment of the credit policy and procedures, when deemed necessary. The quality of the Group's loan portfolios (business, consumer and mortgage in Greece and abroad) is monitored and assessed by the Group Credit Control Sector (GCCS) via field, desktop and thematic reviews in order to timely identify emerging risks, vulnerabilities, compliance to credit policies and consistency in underwriting. Furthermore, the GCCS assumes oversight and supervisory responsibilities for proper operation of corporate rating and impairment models. Moreover, GCCS regularly reviews the adequacy of provisions of all loan portfolios. The sector also formulates Group's credit policies, reviews policies developed by other units and participates in the development of new loan products. Finally, it monitors regulatory developments, emerging trends and best practices proposing relevant policy updates or product enhancements when necessary. GCCS operates independently from all the business units of the Bank and reports directly to the GCRO.

The measurement, monitoring and periodic reporting of the Group's exposure to counterparty risk (issuer risk and market driven counterparty risk), which is the risk of loss due to the customer's failure to meet its contractual obligations in the context of treasury positions, such as debt securities, derivatives, repos, reverse repos, interbank placings, etc. are performed by the Group Market and Counterparty Risk Sector (GMCRS). The Group sets limits on the level of counterparty risk that are based mainly on the counterparty's credit rating, as provided by international rating agencies, the product type and the maturity of the transaction (e.g. control limits on net open derivative positions by both amount and term, sovereign bonds exposure, corporate securities, asset backed securities, etc.). GMCRS maintains and updates the limits' monitoring systems and ensures the correctness and compliance of all financial institutions limits with the Bank's policies as approved by the Group's relevant bodies. The utilization of the abovementioned limits, any excess of them, as well as the aggregate exposure per Group's entity, counterparty and product type are monitored by GMCRS on a daily basis. The Group from 2021 applies the new regulatory framework for the counterparty risk from derivatives Standardised Approach for measuring counterparty credit risk (SA-CCR).

Market Risk
The Group has exposure to market risk, which is the risk of potential financial loss due to an adverse change in market variables. Changes in interest rates, foreign exchange rates, credit spreads, equity prices and other relevant factors, such as the implied volatilities, can affect the Group's income or the fair value of its financial instruments. The market risks, the Group is exposed to, are monitored, controlled and estimated by GMCRS. GMCRS is responsible for the measurement, monitoring, control and reporting of the exposure on market risks including the Interest Rate Risk in the Banking Book (IRRBB) of the Group. The GMCRS reports to the GCRO. The exposures and the utilisation of the limits are reported to the Board Risk Committee.

Market risk in Greece and International Subsidiaries is managed and monitored mainly using Value at Risk (VaR) methodology, Sensitivity and stress test analysis. VaR is a methodology used in measuring financial risk by estimating the potential negative change in the market value of a portfolio at a given confidence level and over a specified time horizon. The VaR that the Group measures is an estimate based upon a 99% confidence level and a holding period of 1 day and the methodology used for the calculation is Monte Carlo simulation (full re-pricing of the positions is performed). Since VaR constitutes an integral part of the Group's market risk control regime, VaR limits have been established for all portfolios (trading and investment) measured at fair value and actual exposure is reviewed daily by management. However, the use of this approach does not prevent losses outside of these limits in the event of extraordinary market movements. For that reason the Group uses additional monitoring metrics such as: Stressed VaR, Expected Shortfall and Stress Tests. Finally, the Group has the required systems and procedures for the application of the new regulatory framework for market risk (FRTB) according to the regulatory plan.

Interest Rate Risk in the Banking Book (IRRBB)
The IRRBB is defined as the current and the prospective risk of a negative impact to the institution's economic value of equity, or to the institution's net interest income, taking market value changes into account as appropriate, which arise from adverse movements in interest rates affecting interest rate sensitive instruments, including gap risk, basis risk and option risk.

GMCRS is the unit responsible for the monitoring, control, reporting and estimation of IRRBB on a group level. Both the Economic Value of Equity (EVE) and NII sensitivity to a number of stresses on interest rates are estimated on a periodic basis and are compared with the approved by BRC limits. The Group is now using the recently established Asset and Liability Management (ALM) tool for a significant part of the analysis on a solo level. The plan is to further increase the use of the ALM tool for any analysis related to IRRBB on a group level. Furthermore, the Group already applies a set of extra stress test analysis for specific parts of its Banking Book for the assessment to the exposure on Mark-to-Market (MTM) volatility and prepares the appropriate tools for the assessment of CSRBB (Credit Spread Risk in the Banking Book). The policy for the management of IRRBB as approved by BRC and BoD provides a clear description of the methodologies, governance, limits that are used for the management of IRRBB.

Liquidity Risk
The Group is exposed on a daily basis to liquidity risk due to deposits withdrawals, maturity of medium or long term notes, maturity of secured or unsecured funding (interbank repos and money market takings), collateral revaluation as a result of market movements, loan draw-downs and forfeiture of guarantees. The Board Risk Committee sets liquidity limits to ensure that sufficient funds are available to meet such contingencies. The Group monitors on a continuous basis the level of liquidity risk using regulatory and internal metrics and methodologies (Liquidity Coverage Ratio, NSFR, buffer analysis, cash flow analysis, short-term and medium-term stress test etc.).

BRC role is to approve all strategic liquidity risk management decisions and monitor the quantitative and qualitative aspects of liquidity risk. Group Assets and Liabilities Committee (G-ALCO) has the mandate to form and implement the liquidity policies and guidelines in conformity with Group's risk appetite, and to review at least monthly the overall liquidity position of the Group. Group Treasury is responsible for the implementation of the Group's liquidity strategy, the daily management of the Group's liquidity and for the preparation and monitoring of the Group's liquidity budget, while GMCRS is responsible for measuring, control, monitoring and reporting the liquidity of the Group.

Operational Risk
Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk. Operational risk is embedded in every business activity undertaken by the Group. The primary aim of operational risk management is to ensure the integrity of the Group's operations and its reputation by mitigating its impact. To manage operational risk more efficiently, the Group operates an Operational Risk Management Framework, which defines its approach to identifying, assessing, monitoring and reporting operational risks.

Governance responsibility for operational risk management stems from the Board of Directors (BoD), through the Executive Board and Senior Management, and passes down to the Heads and staff of every business unit. The BoD establishes the mechanisms used by the Group to manage operational risk, by setting the tone and expectations at top management and delegating relevant responsibility. The Board Risk Committee and the Audit Committee monitor the operational risk level and profile, including the level of operational losses, their frequency and severity.

The Heads of each Business Unit (the risk owners) are primarily responsible for the day-today management of operational risk and the adherence to relevant controls. To this end, every business unit:

a) Identifies, evaluates and monitors its operational risks, and implements risk mitigation controls and techniques,
b) Assesses the efficiency of control mechanisms,
c) Reports all relevant issues,
d) Has access and uses the methods and tools introduced by the Group Operational Risk Sector, to facilitate in identifying, evaluating and monitoring operational risks.

Each Business Unit has appointed an Operational Risk Partner (OpRisk Partner) or an Operational Risk Management Unit (ORMU) depending on the size of the business unit who is responsible for coordinating the internal operational risk management efforts of the business unit. OpRisk Partners and ORMUs form the link between Line 1 and Line 2 of the Three Lines of Defense Model for all operational risk matters. In addition, OpRisk

Partners also exist at Units that are part of Line 2 and Line 3 to ensure the appropriate operational risk oversight in those functions.

In order to strengthen further the existing Operational Risk Framework according to increased regulatory expectations as defined in the: i) EBA Guidelines on Internal Governance (2021) under Directive 2013/36/EU, (ii) BCBS Revisions to the Principles for the Sound Management of Operational Risk (2021), (iii) BCBS Principles for Operational Resilience, and (iv) EBA Guidelines on ICT and security risk management EBA/GL/2019/04, the Group had decided to move towards managing Non-Financial Risks (NFRs) holistically, whereas NFRs include all operational risks as well as specific additional risks such as strategic and reputational risk. NFR management comprises risk identification, assessment, and mitigation while employing independent oversight and an effective risk culture to ensure that business objectives are met within the NFR appetite that is reflected in the Group's Policies and Guidelines. Group Operational Risk Sector (GORS) has been positioned as an overlaying framework coordinator for all Non-Financial Risks (NFRs). The GORS overlaying responsibilities aim to harmonize Two Lines of Defense (2LoD) activities across the Group and to holistically ensure the effective, consistent application of the NFR Framework. 2LoD Units maintain their responsibilities for specific Risk Theme(s) owned. The update and implementation of the NFR Management Framework is in progress.

<u>Climate related and environmental risks</u>
The Group has recognized climate change as a material risk and based on supervisory guidelines, is adapting its policies and methodologies for identifying and monitoring the relevant risks.

Specifically, climate related and environmental risks are defined as the risks deriving from potential loss or negative impact to the Group, including loss/damage to physical assets, disruption of business or system failures, transition expenditures and reputational effects from the adverse consequences of climate change and environmental degradation.

Climate-related and environmental risks include the following:

a) Climate related physical risk: Physical risk refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as the impact of environmental degradation, such as air, water and land pollution, water stress, biodiversity loss and deforestation,
b) Climate related transition risk: Transition risk refers to financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy,
c) Environmental risk: Risk of actual or potential threat associated with the dependency on nature and nature impacts and/or the misalignment between the Group's strategy and the changing regulatory, policy, or societal landscape in which it operates. Environmental risk excludes the impacts from climate change.

The Group is adopting a strategic approach towards sustainability, climate change risk identification and risk management, signifying the great importance that is given in the risks and opportunities arising from the transitioning to a low-carbon and more circular economy. In this context, the Bank has approved its Financed Impact Strategy, which focuses on:

a) Clients' engagement and awareness to adapt their business so as to address climate change challenges,
b) Actions for supporting customers in their transition efforts towards a more ESG-friendly economic environment,
c) Enablers and tools such as frameworks and products to underpin Sustainable Financing,
d) The risk assessment of climate-related material exposures.

In line with good practices identified by the ECB, the Financed Impact Strategy of the Bank will focus on sustainable financing targets / commitments. In particular, the Bank identified total portfolio and sectoral targets with regards to financing the green transition of its clients.

The Bank has set the following targets for sustainable disbursements in the following years:

a) New disbursements: €2bn new green disbursements to businesses until 2025 or 20% of the annual new corporate disbursements to be classified as green/ environmentally sustainable,
b) Renewable energy: 35% of new disbursements in energy sector will be directed to Renewable Energy Sector (RES) financing,
c) Green buildings: ca. 80% of disbursements related to construction of new buildings will be allocated to green buildings,
d) RRF: €2.25bn total green contribution through RRF funds in the Greek economy until 2026,
e) Green stock / exposure evolution: 20% stock of green exposures for the corporate portfolio by 2027 (up from 11% in 2022), and
f) Double retail green gross disbursements within 2023 compared to 2022.

To facilitate the classification of sustainable/green financing opportunities in a structural manner, the Bank has developed its Sustainable Finance Framework (SFF). Through its SFF, the Bank classifies sustainable lending solutions offered to its customers, specifying the applied classification approach and the activities defined as eligible to access sustainable financing (eligible green and social assets). The SFF is currently being localized to international subsidiaries with substantial presence in the local market (Cyprus, Bulgaria). Furthermore, the Group has updated its governance structure by introducing and defining the roles and responsibilities in relation to climate related and environmental (CR&E) risks, embedding regulatory guidelines and market practices. The CR&E Risk Governance involves various key stakeholders (i.e. Business functions, Units, and Committees). The

Group applies a model of defined roles and responsibilities regarding the management of CR&E risks across the 3 Lines of Defense.

The Group Climate Risk Division (GCRD) has the overall responsibility for overseeing, monitoring, and managing CR&E risks. Specifically, the GCRD operates as Project office responsible for the implementation of the Climate related and Environmental risks roadmap ("Program Field"), with a coordinating and supervisory role on all related project streams to ensure alignment with the Bank's business strategy and the regulatory authorities' expectations. In this context, GCRD ensures the implementation of environmental and sustainability initiatives (frameworks, policies, procedures and products) and compliance with existing and upcoming related regulations, under an ongoing bank-wide program, in alignment with the supervisory agreed roadmap, which is accelerated where possible. Also, GCRD is responsible for the co-ordination with Business and Risk Units, the preparation and submission for approval of the Financed Impact Strategy, as well for monitoring its implementation. Furthermore, the GCRD leads the 2nd Line of Defense independent sustainable lending re-assessment process. Specifically, in the context of implementing the approved Sustainable Finance Framework (SFF), the Division is responsible to assess the sustainability features of new loans and products according to the criteria set within the SFF. Going forward the role of GCRD will be expanded, covering the management of ESG risks. Further information on ESG risk is provided in the Consolidated Pillar 3 Report on the Company's website.

The Group applies the elements of the Three Lines of Defense model for the management of all types of risk. The Three Lines of Defense Model enhances risk management and control by clarifying roles and responsibilities within the organization. Under the oversight and direction of the Management Body, the responsibilities of each of these lines of defense are:
Line 1 - Own and manage risk and controls. The front line business and operations are accountable for this responsibility as they own the rewards and are the primary risk generators,
Line 2 - Monitor risk and controls in support of Executive Management, providing oversight, challenge, advice and group-wide direction. These mainly include the Risk and Compliance Units,
Line 3 - Provide independent assurance to the Board and Executive Management concerning the effectiveness of risk and control management. This refers to Internal Audit.

Further information on the Group's financial risk management objectives and policies, including the policy for hedging each major type of transaction for which hedge accounting is used is set out in the notes 2, 5 and 19 to the consolidated financial statements for the year ended 31 December 2022.

Non Performing Exposures (NPE) management
The Group, following the strategic partnership with doValue S.p.A. and the transition to the new operating model for the management of NPE, realizes the NPE Strategy Plan through its implementation by doValue Greece for the assigned portfolio and the securitization transactions.

<u>Troubled Assets Committee</u>
The Troubled Assets Committee (TAC) is established according to the regulatory provisions and its main purpose is to act as an independent body, closely monitoring the Bank's troubled assets portfolio and the execution of its NPE Management Strategy.

<u>Remedial and Servicing Strategy (RSS)</u>
Remedial Servicing & Strategy Sector (RSS) has the mandate to inter alia devise the NPE reduction plan and closely monitor the overall performance of the NPE portfolio as well as the relationship of the Bank with doValue Greece. Furthermore, following Eurobank's commitments against the significant risk transfer (SRT) monitoring regulatory requirements pertaining to Bank's concluded transactions, RSS has a pivotal role in ensuring that relevant process is performed smoothly and in a timely manner and that any shortcomings are appropriately resolved, while providing any required clarifications or additional material required by the regulatory authorities.

<u>NPE Management Strategy and Operational targets</u>
In line with the regulatory framework and Single Supervisory Mechanism's (SSM) requirements for Non-Performing Exposures' (NPE) management, in March 2023, the Group submitted its NPE Management Strategy for 2023-2025, along with the annual NPE stock targets at both Bank and Group level. The plan envisages the decrease of the Group's NPE ratio at 4.5% in 2025.

In the context of its NPE management strategy, the Group has initiated, jointly with the other Greek systemic banks, an NPE securitization transaction of a wholesale portfolio consisting of common borrower exposures (project 'Solar'). The Group targets to the prudential and accounting derecognition of the underlying corporate loan portfolio from its balance sheet by achieving a Significant Risk Transfer (SRT) and including 'Solar' securitization under the Hellenic Asset Protection Scheme (HAPS), with the senior note of the securitization becoming entitled to the Greek State's guarantee. The Management remains committed to its plan for the completion of the above transaction and has undertaken actions along with the other participating banks, towards the disposal of the majority stake of the mezzanine and junior notes to be issued in the context of the above-mentioned securitization (note 15 to the consolidated financial statements).

Macroeconomic Outlook and Risks
In the first months of 2023, economic activity in Greece and the other countries in which the Group has a substantial presence, remained in expansionary territory on an annual basis, with the inflation easing and the

international economic environment stabilising. More specifically, according to Hellenic Statistical Authority (ELSTAT) provisional data, the Greek economy expanded by 2.1% on an annual basis in the first quarter of 2023, driven by strong increases in household consumption, fixed investment, and exports of goods and services. In its spring economic forecast (May 2023), the European Commission (EC) forecasts GDP growth rates of 2.4% in 2023 and 1.9% in 2024 (2022: 5.9%). Amid strong base effects and easing energy prices, the inflation rate, as measured by the annual change in the Harmonized Index of Consumer Prices (HICP), decelerated to 2.8% in June 2023, from 4.1% in May 2023 and 11.6% in June 2022 according to ELSTAT. The EC expects that the HICP will decline to 4.2% in 2023 from 9.3% in 2022, and further de-escalate to 2.4% in 2024. Moreover, according to ELSTAT, the seasonally adjusted unemployment rate decreased to 10.8% in May 2023 from 12.7% in May 2022, with the EC forecasts for 2023 and 2024 standing at 12.2% and 11.8% respectively (2022: 12.5%).

Growth in Greece and in other countries of presence is expected to receive a significant boost from investment projects and reforms funded by the European Union (EU). Greece shall receive €30.5bn (€17.8bn in grands and €12.7bn in loans) up to 2026 through the Recovery and Resilience Facility (RRF), Next Generation EU (NGEU)'s largest instrument, out of which €11.1bn (€5.7bn in grands and €5.4bn loans respectively) has already been disbursed by the EU, and has applied for an additional €5bn of RRF loans through the REPowerEU plan. A further €40bn is due through EU's long-term budget (MFF), out of which €20.9bn are to fund the new National Strategic Reference Frameworks (ESPA 2021–2027).

On the monetary policy front, although net bond purchases under the temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022, as scheduled, the European Central Bank (ECB) will continue to reinvest principal from maturing securities at least until the end of 2024, including purchases of Greek Government Bonds (GGBs) over and above rollovers of redemptions. Furthermore, the Governing Council of the ECB, in line with its strong commitment to its price stability mandate, has proceeded with nine rounds of interest rate hikes in 2022 and in 2023 (the most recent in July 2023), raising the three key ECB interest rates by 425 basis points in aggregate.

On the fiscal front, the general government balance posted a primary surplus of 0.1% of GDP in 2022, with the EC forecasting primary surpluses of 1.9% and 2.5% of GDP in 2023 and 2024 respectively. The gross public debt-to-GDP ratio, down to 171.3% in 2022 from 194.6% of GDP in 2021 due to the strong economic recovery and the effect of the sharp price level increase on nominal GDP, is expected to decline further to 160.2% and 154.4% of GDP in 2023 and 2024 respectivelly. The above forecasts may change in case of potential adverse international developments that could affect energy and other goods prices, interest rates, external and domestic demand, and bring about the need for additional fiscal support measures.

Regarding sovereign rating changes in the past 12 months, Fitch upgraded the credit rating of Greece to BB+ from BB on 27 January 2023, changing its outlook to stable. Standard & Poor's, on 21 April 2023, and Moody's, on 17 March 2023, upgraded their outlook of Greece to positive, maintaining their credit ratings at BB+ and Ba3 respectively. DBRS Morningstar maintains a rating of BB (high) with stable outlook since 18 March 2022. Although Greece's sovereign credit rating remains one notch below the investment grade according to three of the four External Credit Assessment Institutions (ECAIs) accepted by the Eurosystem, the aforementioned upgrades signal that the rating agencies' view on the sustainability of Greece's fiscal position keeps improving despite the uncertain economic environment. This year, the Greek State has issued so far eight bonds of various maturities (5-year, 10-year, 15-year and 20-year, including reopening of past issues) through the Public Debt Management Agency (PDMA), raising a total of €10.65bn from international financial markets. These comprised three new issuances (a 10-year bond of €3.5bn at a yield of 4.279% on 17 January , a 5-year bond of €2.5bn at a yield of 3.919% on 29 March, and a 15-year bond of €3.5bn at a yield of 4.464% on 11 July) and five re-openings (a 10-year bond of €300m at a yield of 4.31% on 19 April, a 10-year bond of €250m at a yield of 3.97% and a 15-year bond of €150m at a yield of 4.14% on 17 May, a 20-year bond of €200m at a yield of 3.99% on 21 June, and re-opening of a 5-year bond of €250m at a yield of 3.3% on 19 July). As of end-March 2023, the cash reserves of the Greek State stood close to €33bn.

According to Bank of Greece (BoG) data, the stock of credit to the non-financial private sector amounted to €104.3bn as at the end of May 2023, from €103.5bn in May 2022, marking a gross annual increase of 0.9% in spite of the continued deleveraging of non-performing exposures through the "Hercules II" scheme. Adjusted for write-offs, reclassifications and foreign exchange fluctuations, the growth rate of domestic credit to the non-financial sector stood at 2.7% on an annual basis. On the other side of the ledger, domestic non-financial private sector deposits increased to €182.5bn at the end of May 2023 from €174.2bn at the end of May 2022, up by 4.8%. This significant annual growth follows the sharp increase in nominal GDP and the effect of the government's energy crisis support measures. Provisional BoG data shows that residential real estate prices in the first quarter of 2023 increased by 4% on a quarterly and by 14.5% on an annual basis, and commercial real estate prices increased by 5% annually in 2022.

While many economies in the CESEE region have demonstrated remarkable resilience in the face of the geopolitical turmoil caused by the war in Ukraine in 2022, economic growth in the first quarter of 2023 came under pressure as regional economies were confronted with still high, though decreasing, inflation and tightened financial conditions. However, the economic downturn in CESEE region has not been that sharp as formerly anticipated. Looking ahead, the main risks continue to stem from the lingering geopolitical upheaval, the inflationary outlook and the subdued external demand. Prospects over inflation in the region for 2023 have broadly improved on the back of energy prices de-escalation. In this context, regional Central Banks have embarked since mid-2021 to tightening monetary cycles by increasing the key policy rates throughout 2022 and retain an economic data dependant stance so far in 2023, waiting for the suitable timing to proceed with interest rate cuts.

In tandem with the entire CESEE region, the Bulgarian economy expanded by 0.5% on a quarterly basis (or 2.3% on an annual basis) in the first quarter of 2023, holding broadly firm compared to the fourth quarter of 2022 on the back of improved net exports that offset to a big extent the reduced consumption. HICP averaged at 13% in 2022 (2021: 2.8%) and has remained on a decreasing path since the start of 2023, averaging at 10.6% year-on-year between January and May. According to EC's spring economic forecasts (May 2023), real GDP is expected to grow by 1.5% in 2023 and 2.4% in 2024 (2022: 3.4%), with private consumption rendering the key growth driver, while the HICP is forecast to decrease to 9.4% in 2023 and 4.2% in 2024.

In Cyprus, according to the EC's spring economic forecasts (May 2023), real GDP growth is forecast at 2.3% in 2023 and 2.7% in 2024 (2022: 5.6%) mainly due to the milder than last year increase in household consumption, under persisting inflationary pressures on disposable income, as support measures to offset high energy prices gradually decrease while their effects continue. Furthermore, the Consumer Price Index (CPI) is estimated at 3.8% in 2023 and 2.5% in 2024 (2022: 8.1%) mainly due to the extension of last year's rise in energy and non-food commodity prices after July 2022 when headline inflation was at a historically high level. The weakening of GDP growth also stems from the deterioration of the external balance, especially on the exports of goods side, while exports of services are resilient, with an average increase in tourism receipts in the four months of 2023 at 29.7% year-on-year. Regarding the investment momentum, despite rising interest rates and the observed contraction in credit to businesses from December 2022 onwards, currently they are pushed higher by capital formation in shipping and housing.

Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows: (a) the escalation of the ongoing Russia - Ukraine war and its ramifications on regional and global stability and security, as well as the European and Greek economy, (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 ongoing and potential upcoming central bank interest rate hikes worldwide, and in the euro area in particular, that may exert upwards pressures on sovereign and private borrowing costs, especially those of highly indebted borrowers, deter investments, increase volatility in the financial markets and lead economies to slow down or even a temporary recession, (d) the persistently large current account deficit and the prospect of it becoming once again a structural feature of the country's growth model, (e) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (f) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience, (g) the geopolitical developments in the near region and worldwide, and (h) 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, also mindful of the recent banking turmoil across some markets, 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 2023 – 2025.

Share Capital

As at 30 June 2023:

a) The total share capital of Eurobank Holdings amounted to €816,349,051.76 divided into 3,710,677,508 common voting shares of nominal value of €0.22 each. All shares are registered, listed on the Athens Stock Exchange and incorporate all the rights and obligations set by the Greek legislation,
b) The number of Eurobank Holdings shares held by the Group's subsidiaries in the ordinary course of their business was 1,996,088 (31 December 2022: 260,036) (note 26 to the consolidated financial statements),
c) The percentage of the ordinary voting shares of Eurobank Holdings held by the Hellenic Financial Stability Fund (HFSF) amounted to 1.40%.

The BoD decided on 27 June 2023 to propose at the Annual General Meeting (AGM) to approve to purchase the Company's shares held by the HFSF, via a pre-agreed transaction ("Repurchase"). The Repurchase is provided for in the Fund's Divestment Strategy and has been approved by the Single Supervisory Mechanism (SSM). Following the above, the AGM held on 20 July 2023 approved the acquisition of own shares in accordance with article 49 of Law 4548/2018, and in particular the acquisition of all of the Company's shares which the HFSF owns, under the following conditions:

a) Maximum number of shares to be acquired: According to article 49 of Law 4548/2018, the maximum number of shares that the Company may acquire, added together with the shares belonging to the Company from time to time, cannot exceed 10% of the Company's paid share capital. Specifically, in this transaction, the number of shares to be purchased will be the total of its issued shares held by the HFSF, i.e. 52,080,673 shares, which correspond to approximately 1.40% of its share capital,
b) The duration for which the approval is granted is set at 6 months from the day of the General Meeting,
c) The maximum purchase price is set at €1.90 per share and the minimum purchase price is set at €1.10 per share,
d) To authorize the Board of Directors to determine the specific conditions and relevant details for the acquisition, taking into account the supervisory approvals.

Share options
Under the five-year shares award plan approved in 2020 and started in 2021, the executives and personnel of Eurobank Holdings and its affiliated companies are granted share options rights, which are exercised in portions annually during the term of the plan by issuing new shares with a corresponding share capital increase. Each portion may be exercised wholly or partly and converted into shares at the employees' option, provided that they remain employed by the Group until the first available exercise date. The maximum number of rights that can be approved was set at 55,637,000 rights, each of which would correspond to one new share and the exercise price of each new share would be equal to € 0.23. Further information is provided in note 26 to consolidated financial statements.

Board of Directors
The Board of Directors (BoD) was elected by the Annual General Meeting (AGM) of the Shareholders held on 23 July 2021 for a three years term of office that will expire on 23 July 2024, prolonged until the end of the period the AGM for the year 2024 will take place.

Further to that, the AGM of the Shareholders of Eurobank Holdings held on 20 July 2023 approved the appointment of Mr. Burkhard Eckes and Mr. John Arthur Hollows as new independent non-executive members, whose term of office will expire concurrently with the term of office of the other members of the BoD. As a result, the number of the members of the BoD was increased from thirteen (13) to fifteen (15). On the same day (20 July 2023), the BoD decided its constitution as a body.

The BoD of Eurobank Holdings is set out in note 33 to the consolidated financial statements. Personal details of the Directors are available on the website of Eurobank Holdings (www.eurobankholdings.gr).

Related party transactions
As at 30 June 2023, the Group's outstanding balances of the transactions and the relating net income / expense for the first half of 2023 with (a) the key management personnel (KMP) and the entities controlled or jointly controlled by KMP are: compensation €5.7m, of which €1.3m expense relating with equity settled share based payments, receivables €5.6m, liabilities €23.5m, and net expense €6.8m, (b) the Fairfax group (excluding Eurolife FFH Insurance Group Holdings S.A., which is also a Group's associate) are: receivables €101.3m, liabilities €144.3m, guarantees issued €2m, net income €4.8m, (c) the associates (Hellenic Bank is included as of the second quarter of 2023) and joint ventures are: receivables €150.4m, liabilities €189.5m and net expense €35.5m and (d) the Fund are mainly to deposits of €1m.

At the same date, the Company's outstanding balances of the transactions and the relating net income / expense for the first half of 2023 with (a) KMP are: compensation €0.1m that is referring mainly to KMP services provided by Eurobank S.A. in accordance with the relevant agreement, (b) the subsidiaries are: receivables €1,316m, liabilities €0.6m and net income €47.1m and (c) the Group's associate Eurolife FFH Insurance Group Holdings S.A. are: operating expenses of €0.06m.

All transactions with related parties are entered into the normal course of business and are conducted on an arm's length basis. Further information is provided in the note 32 to the consolidated financial statements and note 16 to the financial statements of the Company.

Georgios Zanias	Fokion Karavias
Chairman	Chief Executive Officer

4 August 2023

APPENDIX

Definition of Alternative Performance Measures (APMs) in accordance with European Securities and Markets Authority (ESMA) guidelines, which are included in the Report of Directors/Financial Statements:

a) **Loans to Deposits ratio:** Loans and advances to customers at amortised cost divided by due to customers at the end of the reported period,
b) **Pre-Provision Income (PPI):** Profit from operations before impairments, provisions and restructuring costs as disclosed in the financial statements for the reported period,
c) **Core income:** The total of net interest income, net banking fee and commission income and income from non banking services for the reported period,
d) **Core Pre-provision Income (Core PPI):** The core income minus the operating expenses of the reported period,
e) **Net Interest Margin (NIM):** The net interest income of the reported period, annualised and divided by the average balance of continued operations' total assets (the arithmetic average of total assets, excluding those related to discontinued operations', at the end of the reported period, at the end of interim quarters and at the end of the previous period),
f) **Fees and commissions:** The total of net banking fee and commission income and income from non banking services of the reported period,
g) **Fees and commissions over assets ratio:** The Fees and commissions of the reported period, annualised and divided by the average balance of continued operations' total assets (the arithmetic average of total assets, excluding those related to discontinued operations', at the end of the reported period, at the end of interim quarters and at the end of the previous period),
h) **Income from trading and other activities**: The total of net trading income, gains less losses from investment securities and other income/ (expenses) of the reported period,
i) **Cost to Income ratio:** Total operating expenses divided by total operating income,
j) **Adjusted net profit:** Net profit/loss from continuing operations after deducting restructuring costs, goodwill impairment/ gain on acquisition, gains/losses related to the transformation plan and income tax adjustments,
k) **Non-performing exposures (NPE):** NPE (in compliance with EBA Guidelines) are the Group's material exposures which are more than 90 days past-due or for which the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past due amount or the number of days past due. The NPE, as reported herein, refer to the gross loans at amortised cost except for those that have been classified as held for sale,
l) **NPE ratio:** NPE divided by gross loans and advances to customers at amortised cost at the end of the reported period,
m) **NPE formation:** Net increase/decrease of NPE in the reported period excluding the impact of write offs, sales and other movements,
n) **NPE Coverage ratio:** Impairment allowance for loans and advances to customers and impairment allowance for credit related commitments (off balance sheet items), divided by NPE at the end of the reported period,
o) **Provisions (charge) to average net loans ratio (Cost of Risk):** Impairment losses relating to loans and advances charged in the reported period, annualised and divided by the average balance of loans and advances to customers at amortised cost (the arithmetic average of loans and advances to customers at amortised cost, including those that have been classified as held for sale from continuing operations, at the end of the reported period, at the end of interim quarters and at the end of the previous period),
p) **Return on tangible book value (RoTBV):** Adjusted net profit divided by average tangible book value. Tangible book value is the total equity excluding preference shares, preferred securities and non controlling interests minus intangible assets,

Definition of capital and other selected ratios in accordance with the regulatory framework, which are included in the Report of Directors/Financial Statements:

a) **Total Capital Adequacy ratio:** Total regulatory capital as defined by Regulation (EU) No 575/2013 as in force, based on the transitional rules for the reported period, divided by total Risk Weighted Assets (RWA). The RWA are the Group's assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013, taking into account credit, market and operational risk,
b) **Common Equity Tier 1 (CET1):** Common Equity Tier I regulatory capital as defined by Regulation (EU) No 575/2013 as in force, based on the transitional rules for the reported period, divided by total RWA,
c) **Fully loaded Common Equity Tier I (CET1):** Common Equity Tier I regulatory capital as defined by Regulation No 575/2013 as in force, without the application of the relevant transitional rules, divided by total RWA,
d) **Liquidity Coverage Ratio (LCR):** The total amount of high quality liquid assets divided by the net liquidity outflows for a 30-day stress period,
e) **Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL) ratio:** The sum of i) total regulatory capital (at Eurobank S.A. consolidated level) as defined by Regulation (EU) No 575/2013 as in force, based on the transitional rules for the reported period ii) part of any Tier 2 instruments to the extent that it does not qualify as Tier 2 capital (amortized part counts towards MREL), and iii) liabilities issued by Eurobank S.A. that meet the MREL-eligibility criteria set out in Regulation (EU) No 575/2013 as in force, divided by RWA.

The following table presents the components of the calculation of the above APMs, which are derived from the Company's consolidated financial statements for the periods ended 30 June 2023, 30 June 2022 and 31 December 2022:

Components of Alternative Performance Measures

€ million	**1H 2023**	**1H 2022**	**FY 2022**
Net Interest Income [(1)] [(2)]	1,043	667	
Fees and commissions [(1)]	270	246	
Total Operating income [(1)] [(3)]	1,442	1,809	
Total Operating income, excluding the gain on investment in Hellenic Bank in 2023 and on project "Triangle" in 2022 [(1)] [(3)]	1,331	1,484	
Total Operating expenses [(1)] [(4)]	(443)	(419)	
Pre-provision income (PPI) [(1)]	999	1,390	
Pre-provision income (PPI), excluding the gain on investment in Hellenic Bank in 2023 and on project "Triangle" in 2022 [(1)]	888	1,065	
Core Pre-provision income (Core PPI) [(1)]	870	494	
Net profit/(loss) from continuing operations [(1)]	700	941	
Gain on project "Triangle" (before tax)	-	325	
Gain on project "Triangle" (after tax)	-	231	
Restructuring costs, after tax [(1)]	(9)	(44)	
Gain on investment in Hellenic Bank (associate)	111	-	
Adjusted net profit [(1)]	599	755	
Impairment losses relating to loans and advances [(1)]	(164)	(120)	
NPE formation [(1)] [(8)]	140	(10)	
Non performing exposures (NPE)	2,198		2,257
Due to customers	55,892		57,239
Gross Loans and advances to customers at amortized cost	42,156		43,450
Impairment allowance for loans and advances to customers	(1,552)		(1,626)
Impairment allowance for credit related commitments	(57)		(57)
Due to customers (Greek operations)	38,976		39,575
Gross Loans and advances to customers at amortized cost (Greek operations)	32,143		32,812
Impairment allowance for loans and advances to customers (Greek operations)	(1,290)		(1,332)
Average balance of continued operations' total assets [(1)] [(7)]	79,237	76,080	
Average balance of net loans and advances to customers at amortized cost [(1)] [(5)]	40,326	38,059	
Average balance of tangible book value [(6)]	6,661	5,528	

[(1)] *The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation.*

[(2)] *2Q2023 NIM: Net interest income of the second quarter 2023 (€540m), annualised, divided by the average balance of continued operations' total assets (€79,338m). The average balance of continued operations' total assets, has been calculated as the arithmetic average of their balances at the end of the reporting period (30 June 2023: €79,133m) and at the end of the previous period (31 March 2023: €79,543m).*

[(3)] *International Operations: Operating income: €356m (first half 2022, adjusted: €226m). Greek operations: Operating income: €975m, excluding the gain on investment in Hellenic Bank of €111m (first half 2022: €1,258m, excluding the gain on project "Triangle" of €325m).*

[(4)] *International Operations: Operating expenses: €121m (first half 2022, adjusted: €99m). Greek operations: Operating expenses: €322m (first half 2022: €320m).*

[(5)] *The average balance of net loans and advances to customers measured at amortized cost, has been calculated as the arithmetic average of their balances at the end of the reporting period (30 June 2023: €40,604m), at the end of interim quarter (31 March 2023: €40,137m), and at the end of the previous period (31 December 2022 adjusted: €40,237m).The respective figures for 30 June 2022: €38,970m, 31 March 2022: €37,761m and 31 December 2021: €37,445m.*

[(6)] *The average balance of tangible book value, has been calculated as the arithmetic average of the total equity minus the intangible assets and non controlling interests at the end of the reporting period (30 June 2023: €7,039m), at the end of interim quarter (31 March 2023: €6,618m) and at the end of the previous period (31 December 2022: €6,326m). The respective figures for 30 June 2022: €5,934m, 31 March 2022: €5,380m and 31 December 2021: €5,270m.*

[7] The average balance of continued operations' total assets, has been calculated as the arithmetic average of the their balances at the end of the reporting period (30 June 2023: €79,133m), at the end of interim quarter (31 March 2023: €79,543m) and at the end of the previous period (31 December 2022 adjusted: €79,035m), The respective figures for 30 June 2022: €77,847m, 31 March 2022: €74,873m and 31 December 2021: €75,521m.
[8] NPEs formation has been calculated as the decrease of NPE in first half of 2023 (€59m), after deducting the impact of write-offs €152m, classifications as held for sale / sales €85m and other movements (€38m).

Source of financial Information

The Directors' Report includes financial data and measures as derived from the Company's interim consolidated financial statements for the six months ended 30 June 2023, 30 June 2022 and consolidated financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRS). In addition, it includes information as derived from internal information systems, consistent with the Group's accounting policies, such as the selected financial information for the Group's two main reportable segments a) Greek Operations, which incorporate the business activities originated from the Company, the Bank and the Greek subsidiaries and b) International Operations, which incorporate the business activities originated from the banks and the other local subsidiaries operating in Bulgaria, Cyprus and Luxembourg (as described at the relevant section on page 3).

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Independent Auditor's Report on Review of Condensed Interim Financial Information

To the Shareholders of
Eurobank Ergasias Services and Holdings S.A.

Report on the Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying interim separate and consolidated Balance Sheet of Eurobank Ergasias Services and Holdings S.A. (the "Company") as at 30 June 2023 and the related interim consolidated statement of Income, interim separate and consolidated statements of Comprehensive Income, Changes in Equity and Cash Flows for the six-month period then ended and the selected explanatory notes, which comprise the interim condensed financial information and which forms an integral part of the six-month financial report of articles 5 and 5a of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with the International Financial Reporting Standards adopted by the European Union and specifically with International Accounting Standard (IAS) 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as incorporated in Greek Law, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information as at 30 June 2023 is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Report on Other Legal and Regulatory Requirements

Our review did not identify any material inconsistency or error in the statements of the members of the Board of Directors and in the information of the six-month Report of the Directors as defined in articles 5 and 5a of L. 3556/2007 in relation to the accompanying interim condensed financial information.

Athens, 4 August 2023

KPMG Certified Auditors S.A.
A.M. SOEL 114

Harry Sirounis, Certified Auditor Accountant
A.M. SOEL 19071

EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED
30 JUNE 2023

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General Commercial Registry No: 000223001000

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Notes to the Interim Consolidated Financial Statements

Interim Consolidated Balance Sheet

	Note	30 June 2023 € million	31 December 2022 € million
ASSETS			
Cash and balances with central banks		**12,619**	14,994
Due from credit institutions		**1,855**	1,329
Securities held for trading		**324**	134
Derivative financial instruments	14	**984**	1,185
Loans and advances to customers	15	**40,526**	41,677
Investment securities	16	**13,603**	13,261
Investments in associates and joint ventures	18	**489**	173
Property and equipment	19	**781**	775
Investment property	19	**1,355**	1,410
Intangible assets		**329**	297
Deferred tax assets	12	**4,113**	4,161
Other assets	20	**2,075**	1,980
Assets of disposal groups classified as held for sale	13	**2,468**	84
Total assets		**81,521**	81,460
LIABILITIES			
Due to central banks	21	**7,402**	8,774
Due to credit institutions	22	**1,677**	1,814
Derivative financial instruments	14	**1,627**	1,661
Due to customers	23	**55,892**	57,239
Debt securities in issue	24	**4,099**	3,552
Other liabilities	25	**1,424**	1,701
Liabilities of disposal groups classified as held for sale	13	**1,948**	1
Total liabilities		**74,069**	74,742
EQUITY			
Share capital	26	**816**	816
Share premium	26	**1,161**	1,161
Reserves and retained earnings		**5,391**	4,646
Equity attributable to shareholders of the Company		**7,368**	6,623
Non controlling interests		**84**	95
Total equity		**7,452**	6,718
Total equity and liabilities		**81,521**	81,460

Notes on pages 6 to 46 form an integral part of these interim consolidated financial statements.

Interim Consolidated Income Statement

		Six months ended 30 June		Three months ended 30 June	
	Note	**2023** **€ million**	2022[1] € million	**2023** **€ million**	2022[1] € million
Net interest income	7	**1,043**	667	**540**	344
Net banking fee and commission income	8	**222**	197	**117**	104
Income from non banking services	19	**48**	49	**24**	24
Net trading income/(loss)	14, 25	**(22)**	626	**(14)**	401
Gains less losses from investment securities		**55**	(21)	**55**	(6)
Other income/(expenses)	13, 15, 18	**96**	291	**100**	261
Operating income		**1,442**	1,809	**822**	1,128
Operating expenses	9	**(443)**	(419)	**(221)**	(213)
Profit from operations before impairments, provisions and restructuring costs		**999**	1,390	**601**	915
Impairment losses relating to loans and advances to customers	10	**(164)**	(120)	**(89)**	(61)
Other impairment losses and provisions	11	**(33)**	(32)	**(32)**	(7)
Restructuring costs	11	**(13)**	(61)	**(8)**	(16)
Share of results of associates and joint ventures		**21**	14	**15**	4
Profit before tax		**810**	1,191	**487**	835
Income tax	12	**(110)**	(250)	**(39)**	(164)
Net profit from continuing operations		**700**	941	**448**	671
Net loss from discontinued operations	13	**(27)**	(1)	**(1)**	(0)
Net profit		**673**	940	**447**	671
Net loss attributable to non controlling interests	13	**(11)**	(1)	**(0)**	(0)
Net profit attributable to shareholders		**684**	941	**447**	671
		€	**€**	**€**	**€**
Earnings per share					
-Basic and diluted earnings per share	6	**0.18**	0.25	**0.12**	0.18
Earnings per share from continuing operations					
-Basic and diluted earnings per share	6	**0.19**	0.25	**0.12**	0.18

[1] The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).

Notes on pages 6 to 46 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

	Six months ended 30 June				Three months ended 30 June			
	2023		2022[1]		**2023**		2022[1]	
	€ million		€ million		**€ million**		€ million	
Net profit		**673**		940		**447**		671
Other comprehensive income:								
Items that are or may be reclassified subsequently to profit or loss:								
Cash flow hedges								
- changes in fair value, net of tax	**8**		(1)		**7**		(4)	
- transfer to net profit, net of tax	**(10)**	**(2)**	(1)	(2)	**(6)**	**1**	(1)	(5)
Debt securities at FVOCI								
- changes in fair value, net of tax	**102**		(484)		**49**		(243)	
- transfer to net profit, net of tax	**(74)**	**28**	176	(308)	**(47)**	**2**	67	(176)
Foreign currency translation								
- foreign operations' translation differences	**0**		0		**-**		0	
- transfer to net profit on the liquidation of foreign subsidiary	**-**	**0**	76	76	**-**	**-**	76	76
Associates and joint ventures								
- changes in the share of other comprehensive income, net of tax	**2**	**2**	(30)	(30)	**4**	**4**	(15)	(15)
		28		(264)		**7**		(120)
Items that will not be reclassified to profit or loss:								
- Gains/(losses) from equity securities at FVOCI, net of tax (note 12)		**19**		(1)		**13**		4
- Actuarial gains/(losses) on post employment benefit obligations, net of tax		**(0)**		2		**-**		-
		19		1		**13**		4
Other comprehensive income		**47**		(263)		**20**		(116)
Total comprehensive income attributable to:								
Shareholders								
- from continuing operations	**745**		682		**467**		557	
- from discontinued operations	**(14)**	**731**	(4)	678	**(0)**	**467**	(2)	555
Non controlling interests								
- from continuing operations	**0**		(0)		**0**		(0)	
- from discontinued operations	**(11)**	**(11)**	(1)	(1)	**(0)**	**(0)**	(0)	(0)
		720		677		**467**		555

[1] The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).

Notes on pages 6 to 46 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Changes in Equity

	Share capital € million	Share premium € million	Reserves and retained earnings € million	Non controlling interests € million	Total € million
Balance at 1 January 2022[(1)]	816	8,056	(3,333)	96	5,635
Net profit/(loss)	-	-	941	(1)	940
Other comprehensive income	-	-	(263)	(0)	(263)
Total comprehensive income for the six months ended 30 June 2022	-	-	678	(1)	677
Share options plan	-	-	1	-	1
Purchase/sale of treasury shares	-	-	0	-	0
	-	-	1	-	1
Balance at 30 June 2022[(1)]	816	8,056	(2,654)	95	6,313
Balance at 1 January 2023	**816**	**1,161**	**4,646**	**95**	**6,718**
Share of the impact from the adoption of IFRS changes applicable to a Group's associate (note 18)	-	-	15	-	**15**
Net profit/(loss)	-	-	684	(11)	**673**
Other comprehensive income	-	-	47	0	**47**
Total comprehensive income for the six months ended 30 June 2023	**-**	**-**	**731**	**(11)**	**720**
Share options plan (note 26)	-	-	2	-	**2**
Purchase/sale of treasury shares (note 26)	-	-	(2)	-	**(2)**
Other	-	-	(1)	-	**(1)**
	-	**-**	**(1)**	**-**	**(1)**
Balance at 30 June 2023	**816**	**1,161**	**5,391**	**84**	**7,452**
	Note 26	Note 26			

[(1)] The comparative information has been adjusted due to change in the presentation of treasury shares applied in 2022. As a result, as of 1 January and 30 June 2022, "Share premium" has increased by € 1 million against an equal decrease of "Reserves and retained earnings". Further information is provided in note 37 of the consolidated financial statements for the year ended 31 December 2022.

Notes on pages 6 to 46 form an integral part of these interim consolidated financial statements.

Interim Consolidated Cash Flow Statement

	Note	Six months ended 30 June 2023 € million	2022[(1)] € million
Cash flows from continuing operating activities			
Profit before income tax from continuing operations		**810**	1,191
Adjustments for:			
Impairment losses relating to loans and advances to customers	10	**164**	120
Other impairment losses, provisions and restructuring costs	11	**46**	93
Depreciation and amortisation	9	**58**	56
Other (income)/losses on investment securities	29	**(12)**	74
(Income)/losses on debt securities in issue	29	**(11)**	(1)
Other adjustments	29	**(124)**	(305)
		931	1,228
Changes in operating assets and liabilities			
Net (increase)/decrease in cash and balances with central banks		**(84)**	(23)
Net (increase)/decrease in securities held for trading		**(200)**	26
Net (increase)/decrease in due from credit institutions		**14**	1,424
Net (increase)/decrease in loans and advances to customers		**(132)**	(1,695)
Net (increase)/decrease in derivative financial instruments		**49**	(19)
Net (increase)/decrease in other assets		**(105)**	116
Net increase/(decrease) in due to central banks and credit institutions		**(1,260)**	133
Net increase/(decrease) in due to customers		**181**	798
Net increase/(decrease) in other liabilities		**(280)**	484
		(1,817)	1,244
Income tax paid		**(11)**	(9)
Net cash from/(used in) continuing operating activities		**(897)**	2,463
Cash flows from continuing investing activities			
Acquisition of fixed and intangible assets		**(63)**	(71)
Proceeds from sale of fixed and intangible assets		**14**	98
(Purchases)/sales and redemptions of investment securities		**(429)**	(2,315)
Acquisition of subsidiaries, net of cash acquired	17	**(440)**	-
Acquisition of holdings in associates and joint ventures, participations in capital increases	18	**(73)**	-
Disposal of subsidiaries and merchant acquiring business, net of cash disposed	17.1	**22**	259
Disposal/liquidation of holdings in associates and joint ventures	18	**3**	16
Dividends from investment securities, associates and joint ventures		**1**	-
Net cash from/(used in) continuing investing activities		**(965)**	(2,013)
Cash flows from continuing financing activities			
(Repayments)/proceeds from debt securities in issue	24	**552**	600
Repayment of lease liabilities		**(20)**	(17)
(Purchase)/sale of treasury shares		**(2)**	0
Net cash from/(used in) continuing financing activities		**530**	583
Net increase/(decrease) in cash and cash equivalents from continuing operations		**(1,332)**	1,033
Net cash flows from discontinued operating activities		**68**	56
Net cash flows from discontinued investing activities		**12**	3
Net cash flows from discontinued financing activities		**(0)**	(1)
Effect of exchange rate changes on cash and cash equivalents		**0**	1
Net increase/(decrease) in cash and cash equivalents from discontinued operations	29	**80**	59
Cash and cash equivalents at beginning of period	29	**14,388**	13,149
Cash and cash equivalents at end of period	29	**13,136**	14,241

[(1)] *The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).*

Notes on pages 6 to 46 form an integral part of these interim consolidated financial statements.

1. General information

Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings), which is the parent company of Eurobank S.A. (the Bank) and its subsidiaries (the Group), consisting mainly of Eurobank S.A. Group (note 17.3), are active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Group operates mainly in Greece and in Central and Southeastern Europe. The Company is incorporated in Greece, with its registered office at 8 Othonos Street, Athens 105 57 and its shares are listed on the Athens Stock Exchange.

These interim consolidated financial statements were approved by the Board of Directors on 4 August 2023. The Independent Auditor's Report on Review of Condensed Interim Financial Information is included in the Section B.I of the Financial Report for the period ended 30 June 2023.

2. Basis of preparation and principal accounting policies

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as endorsed by the European Union (EU). The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022. Where necessary, comparative figures have been adjusted to conform to changes in the presentation in the current period. Unless indicated otherwise, 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.

The accounting policies and methods of computation in these interim consolidated financial statements are consistent with those in the consolidated financial statements for the year ended 31 December 2022, except as described below (note 2.1).

Going concern considerations

The interim financial statements have been prepared on a going concern basis, as the Board of the Directors considered as appropriate, taking into consideration the following:

In the first months of 2023, economic activity in Greece and the other countries in which the Group has a substantial presence, remained in expansionary territory on an annual basis, with the inflation easing and the international economic environment stabilising. More specifically, in Greece, amid strong negative base effects and easing fuel prices, the annual inflation rate based on the Harmonized Index of Consumer Prices (HICP) receded to 2.8% in June 2023, from 4.1% in May 2023 and 11.6% in June 2022, according to the Hellenic Statistical Authority (ELSTAT). The seasonally adjusted unemployment rate decreased to 10.8% in May 2023 from 11.3% in April 2023 and 12.7% in May 2022. In its spring economic forecast (May 2023), the European Commission (EC) forecasts GDP growth rates of 2.4% in 2023 and 1.9% in 2024 (2022: 5.9%). The HICP growth rate is expected to decelerate to 4.2% in 2023 and 2.4% in 2024 (2022: 9.3%), and the unemployment rate to drop to 12.2% and 11.8% respectively (2022: 12.5%). On the fiscal front, the general government primary balance posted a surplus of 0.1% of GDP in 2022 and is expected to post surpluses of 1.9% and 2.5% of GDP in 2023 and 2024 respectively. The gross public debt-to-GDP ratio is expected to decline further to 160.2% and 154.4% in 2023 and 2024 respectively, from 171.3% in 2022.

According to the EC's spring economic forecasts (May 2023), the real GDP in Bulgaria is expected to grow by 1.5% in 2023 and 2.4% in 2024 (2022: 3.4%), while the HICP is expected at 9.4% in 2023 and 4.2% in 2024 (2022: 13%). Respectively, in Cyprus the real GDP growth is forecasted at 2.3% in 2023 and 2.7% in 2024 (2022: 5.6%), while the average annual inflation rate is estimated at 3.8% in 2023 and 2.5% in 2024 (2022: 8.1%).

Growth in Greece and in other countries of presence is expected to receive a significant boost from investment projects and reforms funded by the European Union (EU). Greece shall receive € 30.5 billion (€ 17.8 billion in grants and € 12.7 billion in loans) up to 2026 through the Recovery and Resilience Facility (RRF), Next Generation EU (NGEU)'s largest instrument, out of which € 11.1 billion (€ 5.7 billion in grants and € 5.4 billion in loans) has already been disbursed by the EU and has applied for an additional €5 billion of RRF loans through the REPowerEU plan. A further € 40 billion is due through EU's long-term budget (MFF), out of which € 20.9 billion are to fund the new National Strategic Reference Frameworks (ESPA 2021–2027).

On the monetary policy front, the Governing Council of the European Central Bank (ECB), in line with its strong commitment to its price stability mandate, has proceeded with nine rounds of interest rate hikes in 2022, and in 2023 (the most recent one in July 2023), raising the three key ECB interest rates by 425 basis points in aggregate. Furthermore, although net bond purchases under the temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022, as scheduled, the ECB will continue to reinvest principal from maturing securities at least until the end of 2024, including purchases of Greek Government Bonds (GGBs) over and above rollovers of redemptions. This year, the Greek state, through the Public Debt Management Agency (PDMA), has issued eight bonds of various maturities (5-year, 10-year, 15-year and 20-year, including reopening of past issues), raising a total of € 10.65 billion from international financial markets. As of end March 2023, the cash reserves of the Greek State stood close to € 33 billion, and as of mid-July, its sovereign rating was one notch below investment grade by three of the four External Credit Assessment Institutions (ECAIs) accepted by the Eurosystem (S&P Ratings: BB+, positive outlook; Fitch Ratings: BB+, stable outlook; DBRS Morningstar: BB (high), stable outlook).

Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows: (a) the escalation of the ongoing Russia - Ukraine war and its ramifications on regional and global stability and security, as well as the European and Greek economy, (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 ongoing and potential upcoming central bank interest rate hikes worldwide, and in the euro area in particular, that may exert upwards pressures on sovereign and private borrowing costs, especially those of highly indebted borrowers, deter investments, increase volatility in the financial markets and lead economies to slow down or even a temporary recession, (d) the persistently large current account deficit and the prospect of it becoming once again a structural feature of the country's growth model, (e) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (f) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience, (g) the geopolitical developments in the near region and worldwide, and (h) 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, also mindful of the recent banking turmoil across some markets, 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 2023 - 2025.

In the first half of 2023, the net profit attributable to shareholders amounted to € 684 million (first half of 2022: € 941 million). The adjusted net profit, excluding the € 111 million gain arising from the acquisition of the 29.2% shareholding of Hellenic Bank, accounted for as an associate (note 18), € 16 million net loss from discontinued operations (note 13) and € 9 million restructuring costs (after tax) amounted to € 599 million (first half of 2022: € 755 million), of which € 205 million profit was related to the international operations (first half of 2022: € 97 million profit). As at 30 June 2023, the Group's Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios stood at 18.2% (31 December 2022: 19.2%) and 15.6% (31 December 2022: 16%) respectively and carried the effect of the ending of the 5-year transition period for the recognition of the IFRS 9 impact on the regulatory capital and the reversion to the standardized approach as of 1 March 2023. Pro-forma with the completion of project "Solar" and the sale of Eurobank Direktna a.d. disposal group, the total CAD and CET1 ratios would be 18.8% and 16.1% respectively (note 4). The Group completed successfully the 2023 EU-wide stress test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). Under the severe assumptions of the adverse scenario, at the end of 2025 (third year of ST horizon) the Fully Loaded CET1 ratio with a capital depletion of 220 bps stands at 12.2 % (note 4).

With regards to asset quality, the Group's NPE formation was positive by € 140 million during the period (second quarter 2023: € 133 million positive, out of which €119m referring to a single corporate customer), (first half of 2022: € 10 million negative, excluding Serbia operations). In total, the Group's NPE stock slightly decreased to € 2.2 billion following the classification of Eurobank Direktna a.d. disposal group as held for sale and other initiatives (31 December 2022: € 2.3 billion), with the NPE ratio remaining stable at 5.2% compared to 31 December 2022. The NPE coverage ratio stood at 73.2% (31 December 2022: 74.6%).

In terms of liquidity, as at 30 June 2023, following the classification of Eurobank Direktna a.d. disposal group as held for sale, the Group deposits stood at € 55.9 billion (31 December 2022: € 57.2 billion), leading the Group's (net) loans to deposits (L/D) ratio to 72.6% (31 December 2022: 73.1%), while the funding from the European Central Bank (ECB) refinancing operations amounted to € 7.4 billion (31 December 2022: € 8.8 billion) (note 21). Furthermore, during the period, the Bank proceeded with the issuance of a preferred senior note of € 500 million (note 24). As at 30 June 2023, the Bank's MREL ratio at consolidated level stands at 23.17% of RWAs, higher than the interim non-binding MREL targets of 20.53% and 22.93%, which are applicable from January 2023 and January 2024, respectively. The Group Liquidity Coverage ratio (LCR) has been maintained at high level reaching 174.2 % (31 December 2022: 173%). In the context of the 2023 ILAAP (Internal Liquidity Adequacy Assessment Process), the liquidity stress tests results indicated that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios both in the short term (1 month horizon) and in the medium term (1 year horizon).

Going concern assessment

The Board of Directors, acknowledging the geopolitical, macroeconomic and financial risks to the economy and the banking system and taking into account the above factors relating to (a) the idiosyncratic growth opportunities in Greece and the region for this and the next years, also underpinned by the mobilisation of the already approved EU funding mainly through the RRF, and (b) the Group's pre-provision income generating capacity, asset quality, capital adequacy and liquidity position, has been satisfied that the financial statements of the Group can be prepared on a going concern basis.

2.1 New and amended standards and interpretations adopted by the Group

The following new standard and amendments to existing standards as issued by the International Accounting Standards Board (IASB) and endorsed by the EU that are relevant to the Group's activities apply from 1 January 2023:

IFRS 17, Insurance Contracts

IFRS 17, which supersedes IFRS 4 "Insurance Contracts" provides a comprehensive and consistent accounting model for insurance contracts. It applies to all types of insurance contracts as well as certain guarantees and financial instruments with discretionary participating features. 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 core 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 deferred the effective date, so that entities would be required to apply IFRS 17 for annual periods beginning on or after 1 January 2023.

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 "Financial Instruments" at the same time.

The Group has not issued contracts within the scope of IFRS 17; therefore, the adoption of the standard had no impact to the interim consolidated financial statements, other than through the Group's share of the results of its associate ''Eurolife FFH Insurance Group Holdings S.A.'' (note 18).

IAS 8, Amendments, Definition of Accounting Estimates

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 how accounting policies and accounting estimates relate to each other by (i) explaining that accounting estimates are developed if the application of accounting policies requires items in the financial statements to be measured in a way that involves a measurement uncertainty and (ii) replacing the definition of a change in accounting estimates with the definition of accounting estimates, where accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". In addition, the amendments clarify that selecting an estimation or valuation technique and choosing the inputs to be used constitutes development of an accounting estimate and that the effects of a change in an input or technique used to develop an accounting estimate are changes in accounting estimates, if they do not result from the correction of prior period errors.

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

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies
IASB issued amendments to IAS 1 "Presentation of Financial Statements" that require entities to disclose their material accounting policies rather than their significant accounting policies.

According to IASB, accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Furthermore, the amendments clarify how an entity can identify material accounting policy information and provide examples of when accounting policy information is likely to be material. The amendments to IAS 1 also clarify that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support these amendments the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2 Making Materiality Judgements to accounting policy disclosures, in order to support the amendments to IAS 1.

The adoption of the amendments had no impact on the interim consolidated financial statements, but it may affect the level of information provided in the disclosure of the Group's accounting policies in the annual consolidated financial statements.

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

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

3. Significant accounting estimates and judgments in applying accounting policies

In preparing these interim condensed consolidated financial statements, the significant estimates, judgments and assumptions made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied in the consolidated financial statements for the year ended 31 December 2022, except for those related to the expected credit losses (ECL) on loans and advances to customers, as described below.

Further information about the key assumptions and sources of estimation uncertainty are set out in notes 12, 13, 15, 17, 18, 25, 27 and 30.

3.1 Impairment losses on loans and advances to customers

During 2023, the prolonged war in Ukraine, the sustained- albeit weakening -inflationary pressures and the interest rate hikes, along with the worldwide financial volatility, continue to foster the uncertainty regarding the economic outlook in the regions where the Group operates. The above factors may decelerate the growth pace, negatively affect households' budgets and exert pressure on private borrowing costs. Despite the persistent challenges mentioned above, the economies in which the Group operates continue to demonstrate significant resilience and an improved outlook on the back of expected investment projects and reforms funded by the EU (note 2).

As at 30 June 2023, as part of its regular review process, the Group updated the key macroeconomic variables incorporated in the IFRS 9 ECL models. The revision above had an insignificant impact in the ECL measurement.

The Group remains cautious for any developments in the macroeconomic trends and geopolitical front and closely monitors all loan portfolios, so as to revise its estimates and assumptions applied to the assessment of impairment losses, if necessary.

4. Capital Management

The Group's capital adequacy position is presented in the following table:

	30 June 2023 € million	31 December 2022 € million
Equity attributable to shareholders of the Company	**7,368**	6,623
Add: Adjustment due to IFRS 9 transitional arrangements	**-**	279
Add: Regulatory non-controlling interests	**55**	68
Less: Goodwill	**(44)**	(2)
Less: Other regulatory adjustments	**(508)**	(253)
Common Equity Tier 1 Capital	**6,871**	6,715
Total Tier 1 Capital	**6,871**	6,715
Tier 2 capital-subordinated debt	**1,149**	1,250
Add: Other regulatory adjustments	**-**	61
Total Regulatory Capital	**8,020**	8,026
Risk Weighted Assets	**43,976**	41,899
Ratios:	**%**	**%**
Common Equity Tier 1	**15.6**	16.0
Pro-forma Common Equity Tier 1[(1)]	**16.1**	16.0
Total Capital Adequacy Ratio	**18.2**	19.2
Pro-forma Total Capital Adequacy Ratio[(1)]	**18.8**	19.0

[(1)] *Pro-forma with the completion of project "Solar" (for 31/12/2022 and 30/6/2023 ratios) and the disposal of Eurobank Direktna a.d. (for 30/6/2023 ratio) classified as held for sale (note 13). In addition, accounting for the estimated impact from the share buyback (note 26) and a new synthetic securitization, the pro- forma CET 1 and Total CAD ratios for 30/6/23 would be 16.3% and 19.0%, respectively.*

Notes:

a) The profit of € 684 million attributable to the shareholders of the Company for the period ended 30 June 2023 (31 December 2022: profit of € 1,330 million) has been included in the calculation of the above capital ratios.

b) As of 30 June 2023, the decrease in CET1 ratio, compared to 31 December 2022, is mainly attributed to i) the increase of the RWAs due to the reversion from the Internal Ratings Based Approach (IRB) to the Standardized Approach (STD) (see below) and the new production of loans, loan commitments and letters of guarantee and ii) the impact on regulatory capital from the ending on 1 January 2023 of the 5-year period of the IFRS 9 transitional adjustments according to the Regulation (EU) 2017/2395 and the FVOCI prudential treatment specified in Article 468 of the CRR, amended by the Regulation (EU) 2020/873. The negative impact on CET1 ratio from the above factors, was partly offset by i) the semi-annual organic profitability and ii) the mark up of investment securities at FVOCI. Total Capital Adequacy ratio has further decreased due to the Tier 2 capital amortisation.

On 1 March 2023, the Group received approval from ECB to revert to the Standardized approach (STD) for all credit risk exposures. The Group's decision to move to a less sophisticated method for capital requirements calculation was based on the fact that the historical data and performance on which Internal Ratings Based (IRB) models are calibrated is considered to be of limited representativeness taking into account the recent economic developments. The Bank intends to continue utilizing its advanced risk management capabilities for internal purposes such as credit approvals, risk adjusted pricing, IFRS 9 provisions and risk monitoring.

The Group has sought to maintain an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision (BIS rules/ratios) which have been incorporated in the European Union (EU) legislation through the Directive 2013/36/EU (known as CRD IV) along with the Regulation No 575/2013/EU (known as CRR), as they are in force. The above Directive has been transposed into Greek legislation by Law 4261/2014, as in force. Furthermore, the CRR as amended by the Regulation 2020/873 (CRR quick fix) provides, among others, for the extension by two years of the ability of the banks to add back to their regulatory capital any increase in provisions for (stage 1 and stage 2) expected losses compared to those that they have recognized on 1 January 2020 for their financial assets, which have not been defaulted. The relief which is applicable for 2023 and for 2024 is 50% and 25%, respectively.

Supplementary to the above, in the context of Internal Capital Adequacy Assessment Process (ICAAP), the Group considers a broader range of risk types and the Group's risk management capabilities. ICAAP aims ultimately to ensure that the Group has sufficient capital to cover all material risks that it is exposed to, over a three-year horizon.

Based on Council Regulation No 1024/2013, the European Central Bank (ECB) conducts annually a Supervisory Review and Evaluation Process (SREP) in order to define the prudential requirements of the institutions under its supervision. The key purpose of the SREP is to ensure that institutions have adequate arrangements, strategies, processes and mechanisms as well as capital and liquidity to ensure a sound management and coverage of their risks, to which they are or might be exposed, including those revealed by stress testing and risks the institution may pose to the financial system.

According to the 2022 SREP decision, from January 2023 the P2R for the Group stands at 2.75% in terms of total capital (or at 1.55% in terms of CET1 capital), reflecting the improved Group's financial position particularly in terms of asset quality. Thus, for the first half of 2023, the Group was required to meet a Common Equity Tier 1 Ratio of at least 9.80% and a Total Capital Adequacy Ratio of at least 14.50% (Overall Capital Requirement or OCR) including Combined Buffer Requirement of 3.75%, which is covered with CET1 capital and sits on top of the Total SREP Capital Requirement (TSCR).

The breakdown of the Group's CET1 and Total Capital requirements is presented below.

	30 June 2023	
	CET1 Capital Requirements	Total Capital Requirements
Minimum regulatory requirement	**4.50%**	**8.00%**
Pillar 2 Requirement (P2R)	1.55%	2.75%
Total SREP Capital Requirement (TSCR)	**6.05%**	**10.75%**
Combined Buffer Requirement (CBR)		
Capital conservation buffer (CCoB)	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.25%	0.25%
Other systemic institutions buffer (O-SII)	1.00%	1.00%
Overall Capital Requirement (OCR)	**9.80%**	**14.50%**

For the third quarter of 2023, the Group's Overall Capital Requirement (OCR) is expected to remain at 14.50% in terms of total capital (or at 9.80% in terms of CET1 capital). The countercyclical capital buffer is calculated on a quarterly basis in accordance with the countercyclical capital buffer rates applicable in each country to which the Group has exposures.

Further disclosures regarding capital adequacy in accordance with the Regulation 575/2013 are provided in the Consolidated Pillar 3 Report on the Company's website.

Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL)

Under the Directive 2014/59 (Bank Recovery and Resolution Directive) as in force, which was transposed into the Greek legislation pursuant to Law 4335/2015 as in force, European banks are required to meet the minimum requirement for own funds and eligible liabilities (MREL). The Single Resolution Board (SRB) has determined Eurobank S.A. as the Group's resolution entity and a Single Point of Entry (SPE) strategy for resolution purposes. Based on the latest SRB's communication, the fully calibrated MREL (final target) to be met by Eurobank S.A. on a consolidated basis until the end of 2025 is set at 27.50% of its total risk weighted assets (RWAs), including a fully-loaded combined buffer requirement (CBR) of 3.93%. The final MREL target is updated by the SRB on an annual basis. The interim non-binding MREL target, which is applicable from January 2023, stands at 20.53% of RWAs, including a CBR of 3.75% and at 22.93% from January 2024, including a CBR of 3.88%.

In the period ended 30 June 2023, in the context of the implementation of its strategy to ensure ongoing compliance with its MREL requirements, the Bank successfully completed the issue of € 500 million MREL-eligible senior preferred notes (note 24). As at 30 June 2023, the Bank's MREL ratio at consolidated level stands at 23.17% of RWAs including profit for the period ended 30 June 2023 (31 December 2022: 23.07%), which is significantly above the aforementioned interim non - binding MREL target of 20.53%.

2023 EU – wide EBA Stress Test

In January 2023, the European Banking Authority (EBA) launched the 2023 EU-wide Stress Test exercise which was designed to provide valuable input for assessing the resilience of the European banking sector in the current uncertain and changing macroeconomic environment.

This exercise was coordinated by the EBA in cooperation with the ECB and national supervisory authorities and was conducted according to the EBA's methodology and scenarios provided by the European Systemic Risk Board (ESRB). It was carried out on the basis of year-end 2022 figures and assessed the performance of EU banks under a baseline and adverse macroeconomic scenario, covering a three-year period from 2023 to 2025. The baseline scenario for EU countries was based on the projections from the EU national central banks of December 2022. The adverse scenario, although unlikely to unfold, was used to assess the resilience of banks to a hypothetical severe scenario of a significant deterioration in the overall outlook for the economy and financial markets in the next three years. The narrative depicted an adverse scenario related to a hypothetical worsening of geopolitical developments leading to a severe decline in GDP with persistent inflation and high interest rates. In terms of GDP decline, the 2023 adverse scenario was the most severe used in the EU wide stress up to now. Eurobank Holdings Group participated in the EBA-led stress test. In parallel, the ECB conducted its own stress test for a number of medium sized- banks that it supervises directly and that were not included in the EBA-led stress test sample.

2023 Stress Test Results

On 28 July 2023, the Company announced that Eurobank Holdings Group successfully completed the 2023 EU-wide Stress Test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). The Group has significantly improved its results and resilience to stress under the adverse scenario compared to the ST 2021 exercise.

The starting point of the exercise is the financial and capital position of the Group as at 31 December 2022, as calculated based on the Standardised Approach (STD). On that date, the Fully Loaded (FL) CET 1 ratio (based on the full implementation of Basel III rules) amounted to 14.4%. Under the Baseline scenario, the FL CET1 ratio increases by 360bps over the 3-year ST horizon, reaching the level of 18% at the end of 2025. Under the Adverse scenario, the FL CET1 ratio decreases by 220bps at the end of 2025 and it stands at 12.2%, while at the end of the first year (2023) the Group registered its highest FL CET 1 ratio depletion, at 316bps.

5. Operating segment information

Management has determined the operating segments based on the internal reports reviewed by the Strategic Planning Committee that are used to allocate resources and to assess their performance in order to make strategic decisions. The Strategic Planning Committee considers the business both from a business unit and geographic perspective. Geographically, management considers the performance of its business activities originated from Greece and other countries in Europe (International).

Greece is further segregated into retail, corporate, global markets & asset management, investment property and as of the first quarter of 2023, Remedial and Servicing Strategy, in order to be aligned with its separate internal reporting to Management. International is monitored and reviewed on a country basis. The Group aggregates segments when they exhibit similar economic characteristics and profile and are expected to have similar long-term economic development.

In more detail, the Group is organized in the following reportable segments:

- Retail: incorporating customer current accounts, savings, deposits and investment savings products, credit and debit cards, consumer loans, small business banking and mortgages.
- Corporate: incorporating current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities, custody and clearing services, cash management and trade services and investment banking services including corporate finance, merger and acquisitions advice.
- Global Markets & Asset Management: incorporating financial instruments trading, services to institutional investors, as well as, specialized financial advice and intermediation. In addition, this segment incorporates mutual fund products, institutional asset management and equity brokerage.
- International: incorporating operations in Bulgaria, Serbia, Cyprus, Luxembourg and Romania.
- Investment Property: incorporating investment property activities relating to a diversified portfolio of commercial real estate assets.
- Remedial and Servicing Strategy (RSS): incorporating a) the management of non - performing assets, that were previously reported in the “Retail” and “Corporate” segments, and b) the property management (repossessed assets), the notes of Cairo, Pillar and Mexico securitizations, which were retained by the Group, and the Group’s share of results of doValue Greece Loans and Credits Claim Management S.A, that were previously reported in the “Other” segment.

Other segment of the Group refers mainly to a) property management (own used property & equipment), b) other investing activities (including equities’ positions), c) private banking services to medium and high net worth individuals, d) the Group’s share of results of Eurolife Insurance group and e) the results related to the Group’s transformation projects and initiatives. In the first half of 2022, it also included the effect of the liquidation of “ERB Istanbul Holding A.S.”

Comparative information has been adjusted to include the aforementioned changes affecting the reportable operating segments.

The Group's management reporting is based on International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies of the Group's operating segments are the same with those described in the principal accounting policies.

Revenues from transactions between business segments are allocated on a mutually agreed basis at rates that approximate market prices.

Operating segments

	For the six months ended 30 June 2023							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center € million	Total € million
Net interest income	511	218	54	(6)	3	295	(32)	1,043
Net commission income	40	66	53	0	3	59	1	222
Other net revenue	(10)	2	25	44	5	2	110	177
Total external revenue	541	286	131	38	11	356	79	1,442
Inter-segment revenue	19	19	(20)	1	(0)	(3)	(16)	-
Total revenue	560	304	111	39	11	353	63	1,442
Operating expenses	(187)	(60)	(27)	(18)	(34)	(124)	6	(443)
Impairment losses relating to loans and advances to customers	(64)	(13)	-	-	(40)	(26)	(21)	(164)
Other impairment losses and provisions (note 11)	(1)	(1)	5	(0)	(2)	(24)	(10)	(33)
Share of results of associates and joint ventures	-	-	0	-	6	-	15	21
Profit/(loss) before tax from continuing operations before restructuring costs	308	231	89	20	(59)	180	53	822
Restructuring costs (note 11)	(1)	(0)	(0)	0	(0)	0	(11)	(13)
Profit/(loss) before tax from continuing operations	307	231	89	20	(60)	180	42	810
Loss before tax from discontinued operations (note 13)	-	-	-	-	-	(45)	-	(45)
Profit/(loss) before tax attributable to non controlling interests	-	-	-	-	-	(11)	0	(11)
Profit/(loss) before tax attributable to shareholders	307	231	89	20	(60)	146	42	775

	30 June 2023							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center [(1)] € million	Total € million
Segment assets	12,295	14,896	13,468	1,439	8,645	22,875	7,903	81,521
Segment liabilities	30,607	11,007	5,849	314	2,000	20,325	3,967	74,069

Notes to the Interim Consolidated Financial Statements

The International segment is further analyzed as follows:

	For the six months ended 30 June 2023					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	Total € million
Net interest income	141	1	125	28	1	295
Net commission income	37	(0)	19	3	(1)	59
Other net revenue	3	(0)	(0)	(0)	(1)	2
Total external revenue	181	1	144	31	0	356
Inter-segment revenue	0	(0)	(0)	(2)	-	(3)
Total revenue	181	0	143	28	0	353
Operating expenses	(77)	(1)	(29)	(14)	(2)	(124)
Impairment losses relating to loans and advances to customers	(24)	(0)	(9)	(0)	7	(26)
Other impairment losses and provisions	(23)	(0)	(0)	(0)	(0)	(24)
Share of results of associates and joint ventures	-	-	-	-	(0)	(0)
Profit/(loss) before tax from continuing operations before restructuring costs	57	(0)	105	14	5	180
Restructuring costs	-	0	-	-	-	0
Profit/(loss) before tax from continuing operations	57	(0)	105	14	5	180
Loss before tax from discontinued operations (note 13)	-	(45)	-	-	-	(45)
Profit/(loss) before tax attributable to non controlling interests	0	(11)	-	-	-	(11)
Profit/(loss) before tax attributable to shareholders	57	(35)	105	14	5	146

	30 June 2023					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	International € million
Segment assets(2)	9,056	2,476	8,642	2,559	142	22,875
Segment liabilities(2)	8,030	2,233	7,498	2,354	210	20,325

	For the six months ended 30 June 2022							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center € million	Total € million
Net interest income	188	160	156	(9)	15	170	(14)	667
Net commission income	45	45	46	(0)	2	58	1	197
Other net revenue	327	2	601	92	1	(3)	(75)	945
Total external revenue	559	207	804	83	18	226	(88)	1,809
Inter-segment revenue	12	20	(18)	1	(1)	(1)	(14)	-
Total revenue	572	227	786	84	17	224	(102)	1,809
Operating expenses	(187)	(58)	(34)	(19)	(33)	(101)	13	(419)
Impairment losses relating to loans and advances to customers	(45)	8	-	-	(64)	(9)	(11)	(120)
Other impairment losses and provisions	(1)	0	(12)	(1)	(2)	(1)	(16)	(32)
Share of results of associates and joint ventures	(0)	-	(0)	-	2	-	12	14
Profit/(loss) before tax from continuing operations before restructuring costs	340	178	740	65	(80)	113	(104)	1,252
Restructuring costs	(10)	(1)	(0)	-	(2)	0	(48)	(61)
Profit/(loss) before tax from continuing operations	330	177	739	65	(82)	113	(152)	1,191
Loss before tax from discontinued operations (note 13)	-	-	-	-	-	(1)	-	(1)
Profit/(loss) before tax attributable to non controlling interests	-	-	-	-	-	(0)	0	(0)
Profit/(loss) before tax attributable to shareholders	330	177	739	65	(82)	112	(152)	1,190

	31 December 2022							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center[(1)] € million	Total € million
Segment assets	12,541	14,871	13,096	1,445	9,041	21,704	8,762	81,460
Segment liabilities	30,097	12,082	5,572	307	2,009	19,736	4,939	74,742

	For the six months ended 30 June 2022					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	Total € million
Net interest income	99	(0)	57	13	1	170
Net commission income	36	(0)	19	4	(1)	58
Other net revenue	(3)	(0)	1	0	(1)	(3)
Total external revenue	132	(0)	77	17	(1)	226
Inter-segment revenue	0	(0)	-	(2)	-	(1)
Total revenue	132	(0)	77	16	(1)	224
Operating expenses	(64)	(0)	(24)	(11)	(2)	(101)
Impairment losses relating to loans and advances to customers	(17)	0	(2)	(0)	10	(9)
Other impairment losses and provisions	(1)	(0)	0	0	(1)	(1)
Share of results of associates and joint ventures	-	-	-	-	0	0
Profit/(loss) before tax from continuing operations	50	(0)	53	5	6	113
Loss before tax from discontinued operations (note 13)	-	(1)	-	-	-	(1)
Profit/(loss) before tax attributable to non controlling interests	(0)	(0)	-	-	-	(0)
Profit/(loss) before tax attributable to shareholders	51	(1)	53	5	6	112

	31 December 2022					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	International € million
Segment assets [(2)]	7,944	2,504	8,793	2,304	159	21,704
Segment liabilities [(2)]	7,146	2,217	8,031	2,112	230	19,736

[(1)] *Interbank eliminations between International and the other Group's segments are included.*

[(2)] *Intercompany balances among the Countries have been excluded from the reported assets and liabilities of International segment.*

6. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 30 June 2023, the Group's dilutive potential ordinary shares relate to the share options that were allocated to executives and personnel of Eurobank Holdings and its affiliated companies (note 26). The weighted average number of shares is adjusted for the share options by calculating the weighted average number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares for the period). The number of shares resulting from the above calculation is added to the weighted average number of ordinary shares in issue in order to determine the weighted average number of ordinary shares used for the calculation of the diluted earnings per share.

		Six months ended 30 June		Three months ended 30 June	
		2023	2022	**2023**	2022
Net profit for the period attributable to ordinary shareholders	*€ million*	**684**	941	**447**	671
Net profit for the period from continuing operations attributable to ordinary shareholders	*€ million*	**700**	941	**448**	671
Weighted average number of ordinary shares in issue for basic earnings per share	*Number of shares*	***3,709,447,972***	*3,707,942,727*	***3,708,645,115***	*3,707,920,024*
Weighted average number of ordinary shares in issue for diluted earnings per share	*Number of shares*	***3,723,486,603***	*3,714,893,296*	***3,723,543,868***	3,714,752,810
Earnings per share					
- Basic and diluted earnings per share	€	**0.18**	0.25	**0.12**	0.18
Earnings per share from continuing operations					
- Basic and diluted earnings per share	€	**0.19**	0.25	**0.12**	0.18

Basic and diluted losses per share from discontinued operations for the period ended 30 June 2023 amounted to € 0.0044 (30 June 2022: € 0.0002 losses).

7. Net interest income

	30 June 2023 € million	30 June 2022 € million
Interest income		
Customers	**977**	576
Banks and other assets	**208**	11
Securities	**194**	113
Derivatives	**624**	237
	2,003	937
Interest expense		
Customers	**(171)**	(16)
Banks [(1)(2)]	**(144)**	25
Debt securities in issue	**(106)**	(49)
Derivatives	**(538)**	(229)
Lease liabilities - IFRS 16	**(1)**	(1)
	(960)	(270)
Total from continuing operations	**1,043**	667

(1) In the period ended 30 June 2023, it includes interest expense of € 101 million relating to the funding from the European Central Bank (ECB). In the comparative period, it includes net income of € 58 million that is attributable to the targeted longer-term refinancing operations (TLTRO III) of ECB.

(2) Interest from financial assets with negative rates, which were applied until June of 2022, was recorded in interest expense.

In the first half of 2023, the increase of 56.3% in the net interest income from continuing operations against the comparative period was mainly driven by higher interest rates, the organic loans' growth and the increased positions in investment bonds, partly offset by higher debt issued and deposits cost.

8. Net banking fee and commission income

The following tables include net banking fees and commission income from contracts with customers in the scope of IFRS 15, disaggregated by major type of services and operating segments (note 5).

	30 June 2023					
	Retail	**Corporate**	**Global Markets & Asset Mngt**	**International**	**Other[2]**	**Total**
	€ million	**€ million**	**€ million**	**€ million**	**€ million**	**€ million**
Lending related activities	**4**	**58**	**10**	**8**	**2**	**82**
Mutual funds and assets under management	**9**	**1**	**19**	**5**	**3**	**36**
Network activities and other[1]	**27**	**4**	**15**	**43**	**1**	**90**
Capital markets	**-**	**4**	**8**	**3**	**(1)**	**14**
Total from continuing operations	**40**	**66**	**53**	**59**	**4**	**222**

	30 June 2022					
	Retail	Corporate	Global Markets & Asset Mngt	International	Other[2]	Total
	€ million	€ million	€ million	€ million	€ million	€ million
Lending related activities	4	37	5	6	0	53
Mutual funds and assets under management	7	1	20	5	3	36
Network activities and other [1]	34	3	14	44	0	95
Capital markets	-	4	8	3	(2)	13
Total from continuing operations	45	45	46	58	2	197

[1] Including income from credit cards related services.

[2] Includes "Remedial and Servicing Strategy" and "Other and elimination center" segments.

9. Operating expenses

	30 June 2023	30 June 2022
	€ million	€ million
Staff costs	**(220)**	(208)
Administrative expenses	**(131)**	(120)
Contributions to resolution and deposit guarantee funds	**(34)**	(35)
Depreciation of real estate properties and equipment	**(20)**	(20)
Depreciation of right of use assets	**(19)**	(18)
Amortisation of intangible assets	**(19)**	(18)
Total from continuing operations	**(443)**	(419)

The average number of employees of the Group's continuing operations during the period was 10,006 (30 June 2022: 10,165). As at 30 June 2023, the number of branches and business/private banking centers of the Group's continuing operations amounted to 545 (31 December 2022: 515).

Furthermore, the average number of employees of Eurobank Direktna a.d. disposal group during the period was 1,460 (period ended 30 June 2022: 1,614 employees). As at 30 June 2023, the number of branches and business centers of Eurobank Direktna a.d. disposal group amounted to 98 (31 December 2022: 101) (note 13).

10. Impairment allowance for loans and advances to customers

The following tables present the movement of the impairment allowance on loans and advances to customers (expected credit losses – ECL). Information with regards to the estimates applied for the expected credit loss measurement as at 30 June 2023 is provided in note 3.

	30 June 2023			
	12-month ECL - Stage 1 € million	**Lifetime ECL - Stage 2 € million**	**Lifetime ECL - Stage 3 and POCI[1] € million**	**Total € million**
Impairment allowance as at 1 January	149	355	1,121	1,626
Transfers between stages	27	(1)	(25)	-
Impairment loss for the period	(18)	(12)	177	147
Recoveries from written - off loans	-	-	25	25
Loans and advances derecognised/ reclassified as held for sale during the period[2]	(8)	(9)	(37)	(55)
Amounts written off	-	-	(147)	(147)
Unwinding of Discount	-	-	(8)	(8)
Foreign exchange and other movements	3	1	(40)	(36)
Impairment allowance as at 30 June	**153**	**333**	**1,066**	**1,552**

	30 June 2022			
	12-month ECL - Stage 1 € million	Lifetime ECL - Stage 2 € million	Lifetime ECL - Stage 3 and POCI [1] € million	Total € million
Impairment allowance as at 1 January	171	311	1,391	1,872
Transfers between stages	18	1	(19)	-
Impairment loss for the period[3]	(37)	16	126	105
Recoveries from written - off loans	-	-	25	25
Loans and advances derecognised/ reclassified as held for sale during the period [2]	(0)	(0)	(201)	(201)
Amounts written off	-	-	(29)	(29)
Unwinding of Discount	-	-	(10)	(10)
Foreign exchange and other movements	(4)	8	(32)	(29)
Impairment allowance as at 30 June	147	335	1,250	1,733

[1] The impairment allowance for POCI loans of € 6 million is included in 'Lifetime ECL –Stage 3 and POCI' (30 June 2022: € 7 million).

[2] It represents the impairment allowance of loans derecognized due to a) substantial modifications of the loans' contractual terms, b) sale transactions, c) debt to equity transactions and those that have been reclassified as held for sale during the period (note 13).

[3] It includes € 6 million impairment loss on loans and advances relating to discontinued operations (note 13).

The impairment losses relating to loans and advances to customers from continuing operations recognized in the Group's income statement for the period ended 30 June 2023 amounted to € 164 million (30 June 2022: € 120 million) and are analyzed as follows:

	30 June 2023 € million	30 June 2022 € million
Impairment loss on loans and advances to customers	**(147)**	(99)
Net income / (loss) from financial guarantee contracts [1]	**(21)**	(15)
Modification gain / (loss) on loans and advances to customers	**5**	(0)
Impairment (loss)/ reversal for credit related commitments	**(1)**	(6)
Total from continuing operations	**(164)**	(120)

[1] It refers to purchased financial guarantee contracts, not integral to the guaranteed loans (projects Wave).

11. Other impairments, restructuring costs and provisions

	30 June 2023 € million	30 June 2022 € million
Impairment and valuation losses on real estate properties (note 17.1)	**(25)**	(2)
Impairment (losses)/reversal on bonds (note 16)	**6**	(12)
Other impairment losses and provisions[(1)]	**(14)**	(18)
Other impairment losses and provisions	**(33)**	(32)
Voluntary exit schemes and other related costs	**(3)**	(52)
Other restructuring costs	**(10)**	(9)
Restructuring costs	**(13)**	(61)
Total from continuing operations	**(46)**	(93)

[(1)] Includes impairment losses on software, other assets and provisions on litigations and other operational risk events. In the comparative period, it mainly includes impairment losses for receivables related to cases in legal dispute.

For the period ended 30 June 2022, an amount of € 48 million has been recognised in the Group's income statement for employee termination benefits mainly in respect of the new Voluntary Exit Scheme (VES) that was launched by the Group in February 2022 for eligible units in Greece and offered to employees over a specific age limit.

12. Income tax

	30 June 2023 € million	30 June 2022 € million
Current tax	**(37)**	(26)
Deferred tax	**(73)**	(224)
Total income tax from continuing operations	**(110)**	(250)

According to Law 4172/2013 currently in force, the nominal Greek corporate tax rate for credit institutions that fall under the requirements of article 27A of Law 4172/2013 regarding eligible deferred tax assets (DTAs)/deferred tax credits (DTCs) against the Greek State is 29%. The Greek corporate tax rate for legal entities other than the aforementioned credit institutions is 22%. In addition, the withholding tax rate for dividends distributed, other than intragroup dividends, is 5%. In particular, the intragroup dividends under certain preconditions are relieved from both income and withholding tax.

The nominal corporate tax rates applicable in the banking subsidiaries incorporated in the international segment of the Group (note 5) are as follows: Bulgaria 10%, Serbia 15%, Cyprus 12.5% and Luxembourg 24.94%.

Tax certificate and open tax years

The Company and its subsidiaries, associates and joint ventures, which operate in Greece (notes 17.1 and 18) have in principle up to 6 open tax years. For fiscal years starting from 1 January 2016 onwards, pursuant to the Tax Procedure Code, an 'Annual Tax Certificate' on an optional basis, is provided for the Greek entities, with annual financial statements audited compulsorily, which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements. The Company and, as a general rule, the Group's Greek companies have opted to obtain such certificate.

The Company's open tax years are 2017-2022, while the Bank's open tax years are 2020 - 2022. In the second quarter of 2023, the Company received a tax audit mandate by the tax authorities for the tax year 2019, while the Bank received a tax audit mandate for the tax years 2020 and 2021 and the relevant tax audits are in progress. The tax certificates of the Company, the Bank and the other Group's entities, which operate in Greece, are unqualified for their open tax years until 2021. In addition, for the year ended 31 December 2022, the tax audits from external auditors are in progress.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within which the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company. In light of the above, as a general rule, the right of the

Greek State to impose taxes up to tax year 2016 (included) has been time-barred for the Group's Greek entities as at 31 December 2022.

The open tax years of the foreign banking entities of the Group are as follows: (a) Eurobank Cyprus Ltd, 2018-2022 (a tax audit for tax years 2018-2020 is in progress), (b) Eurobank Bulgaria A.D., 2017-2022 (a tax audit of limited scope for tax years 2020-2021 is in progress), (c) Eurobank Direktna a.d. (Serbia), 2017-2022, and (d) Eurobank Private Bank Luxembourg S.A., 2018-2022. The remaining foreign entities of the Group (notes 17.1 and 18), which operate in countries where a statutory tax audit is explicitly stipulated by law, have in principle up to 6 open tax years, subject to certain preconditions of the applicable tax legislation of each jurisdiction.

In reference to its total uncertain tax positions, the Group assesses all relevant developments (e.g. legislative changes, case law, ad hoc tax/legal opinions, administrative practices) and raises adequate provisions.

Deferred tax

Deferred tax is calculated on all deductible temporary differences under the liability method as well as for unused tax losses at the rate in effect at the time the reversal is expected to take place.

The net deferred tax is analyzed as follows:

	30 June 2023 € million	31 December 2022 € million
Deferred tax assets	**4,113**	4,161
Deferred tax liabilities	**(33)**	(31)
Net deferred tax	**4,080**	4,130

The movement on deferred tax is as follows:

	30 June 2023 € million	30 June 2022 € million
Balance at 1 January	**4,130**	4,396
Income statement credit/(charge) from continuing operations	**(73)**	(224)
Investment securities at FVOCI[1]	**4**	99
Cash flow hedges	**1**	1
Discontinued operations (note 13)	**18**	(0)
Other	**(0)**	(2)
Balance at 30 June	**4,080**	4,270

[1] As of the second quarter of 2023, the Group's investment in Hellenic Bank was accounted for as an associate (note 18), therefore an amount of € 13 million deferred tax liability for the fair value gains, during the period it was designated at FVOCI, was reversed.

Deferred income tax (charge)/credit from continuing operations is attributable to the following items:

	30 June 2023 € million	30 June 2022 € million
Impairment/ valuation relating to loans, disposals and write-offs	**(112)**	(74)
Unused tax losses	**2**	0
Tax deductible PSI+ losses	**(25)**	(25)
Carried forward debit difference of law 4831/2021	**-**	(73)
Change in fair value and other temporary differences	**62**	(52)
Deferred income tax (charge)/credit from continuing operations	**(73)**	(224)

Deferred tax assets/(liabilities) are attributable to the following items:

	30 June 2023 € million	31 December 2022 € million
Impairment/ valuation relating to loans and accounting write-offs	**980**	1,030
PSI+ tax related losses	**926**	951
Losses from disposals and crystallized write-offs of loans	**2,181**	2,242
Other impairments/ valuations through the income statement	**(29)**	(120)
Unused tax losses	**2**	-
Cash flow hedges	**6**	5
Defined benefit obligations	**5**	5
Real estate properties, equipment and intangible assets	**(90)**	(78)
Investment securities at FVOCI	**(12)**	(15)
Other[1]	**111**	110
Net deferred tax	**4,080**	4,130

[1] It includes, among others, DTA on deductible temporary differences relating to operational risk provisions and the leasing operations.

Further information, in relation to the aforementioned categories of deferred tax assets as at 30 June 2023, is as follows:

(a) € 980 million refer to deductible temporary differences arising from impairment/valuation relating to loans including the accounting debt write-offs according to the Greek tax law 4172/2013, as in force. These temporary differences can be utilized in future periods with no specified time limit and according to current tax legislation of each jurisdiction;

(b) € 926 million refer to losses resulted from the Group's participation in PSI+ and the Greek's state debt buyback program which are subject to amortization for tax purposes over a thirty-year period, i.e. 1/30 of losses per year starting from year 2012 onwards (see below – DTCs section);

(c) € 2,181 million refer to the unamortized part of the crystallized tax losses arising from write-offs and disposals of loans, which are subject to amortization over a twenty-year period;

For the period ended 30 June 2023, the Group's effective tax rate reached 14% (21% in the comparative period), mainly driven by the Bank's impairment losses relating to loans accounted in prior years, for which a DTA amounting to € 45 million had not been recognised, which became deductible for tax purposes in 2023 upon the disposal of Bank's subsidiary IMO Property Investments Sofia E.A.D. (note 17).

Assessment of the recoverability of deferred tax assets

The recognition of the deferred tax assets is based on management's assessment that the Group's legal entities will have sufficient future taxable profits, against which the deductible temporary differences and the unused tax losses can be utilized. The deferred tax assets are determined on the basis of the tax treatment of each deferred tax asset category, as provided by the applicable tax legislation of each jurisdiction and the eligibility of carried forward losses for offsetting with future taxable profits. Additionally, the Group's assessment on the recoverability of recognized deferred tax assets is based on (a) the future performance expectations (projections of operating results) and growth opportunities relevant for determining the expected future taxable profits, (b) the expected timing of reversal of the deductible and taxable temporary differences, (c) the probability that the Group entities will have sufficient taxable profits in the future, in the same period as the reversal of the deductible and taxable temporary differences or in the years into which the tax losses can be carried forward, and (d) the historical levels of Group entities' performance in combination with the previous years' tax losses caused by one off or non-recurring events.

In particular, for the period ended 30 June 2023, the deferred tax asset (DTA) recoverability assessment has been based on the three-year Business Plan that was approved by the Board of Directors in December 2022, for the period up to the end of 2025 (also submitted to the Single Supervisory Mechanism -SSM-) and certain updates of the above plan that were carried out based on the financial results of the first half of 2023 and the latest business outlook onwards. For the years beyond 2025, the forecast of operating results was based on the management projections considering the growth opportunities of the Greek economy, the banking sector and the Group itself. Specifically, the management projections for the Group's future profitability adopted in the Business Plan and its updates, have considered, among others, (a) the higher interest rates , (b) the sustainable increase in loan volumes and the growth, at a relatively lower pace, of customer deposits, (c) the increase in fee and commission income mostly driven by assets under management, bancassurance, network and lending related activities, cards' issuing and investment property rentals, (d) the discipline to operating expenses' targets, (e) the further decrease of NPE ratio in line with the NPE Management Strategy submitted to SSM, (f) the cost of risk, which is expected to carry the effect from the macroeconomic uncertainty and the inflationary pressures' impact on households' disposable income and (g) the fulfilment of interim MREL targets throughout the plan period. The major initiatives introduced in the context of the Group's transformation plan "Eurobank 2030", will contribute to meeting its financial objectives.

The Group closely monitors and constantly assesses the developments on the macroeconomic and geopolitical front (note 2) including the inflationary pressures and their potential effect on the achievement of its Business Plan targets in terms of asset quality and profitability and will continue to update its estimates accordingly.

Deferred tax credit against the Greek State and tax regime for loan losses

As at 30 June 2023, pursuant to the Law 4172/2013, as in force, the Bank's eligible DTAs/deferred tax credits (DTCs) against the Greek State amounted to € 3,307 million (31 December 2022: € 3,402 million). The DTCs are accounted for on: (a) the unamortised losses from the Private Sector Involvement (PSI) and the Greek State Debt Buyback Program, which are subject to amortisation over a thirty-year period and (b) on the sum of (i) the unamortized part of the DTC eligible crystallized tax losses arising from write-offs and disposals of loans, which are subject to amortization over a twenty-year period, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other losses in general due to credit risk recorded up to 30 June 2015. The DTCs will be converted into directly enforceable claims (tax credit) against the Greek State provided that the Bank's after tax accounting result for the year is a loss.

According to the Law 4831/2021 (article 125), which amended Law 4172/2013, the amortization of the PSI tax related losses is deducted from the taxable income at a priority over that of the crystallized tax losses (debit difference) arising from write-offs and disposals of loans. In addition, the amount of the annual tax amortization of the above crystallized tax losses is limited to the amount of the annual taxable profits, calculated before the deduction of such losses and following the annual tax deduction of the PSI tax related losses. The unutilized part of the annual tax amortization of the crystallized loan losses can be carried forward for offsetting over a period of 20 years. If at the end of the 20-year utilization period, there are balances that have not been offset, these will qualify as a tax loss, which is subject to the 5-year statute of limitation. The above provisions apply as of 1 January 2021 and cover the crystallized tax losses that have arisen from write-offs and disposals of loans as of 1 January 2016 onwards.

Taking into account the tax regime in force, the recovery of the Bank's deferred tax asset recorded on loans and advances to customers and the regulatory capital structure are further safeguarded, contributing substantially to the achievement of NPE management targets through write-offs and disposals, in line with the regulatory framework and SSM requirements.

According to tax Law 4172/2013 as in force, an annual fee of 1.5% is imposed on the excess amount of deferred tax assets guaranteed by the Greek State, stemming from the difference between the current tax rate for the eligible credit institutions (i.e. 29%) and the tax rate applicable on 30 June 2015 (i.e. 26%). For the period ended 30 June 2023, an amount of € 2.9 million has been recognized in "Other income/(expenses)".

13. Disposal groups classified as held for sale and discontinued operations

	30 June 2023 € million	31 December 2022 € million
Assets of disposal groups		
Eurobank Direktna a.d.	**2,388**	-
Real estate properties	**11**	15
Loans related to project Solar (note 15)	**69**	69
Total	**2,468**	84
Liabilities of disposal groups		
Eurobank Direktna a.d.	**1,947**	-
Other liabilities related to project Solar (note 15)	**1**	1
Total	**1,948**	1

Real estate properties

Starting from the end of 2019, the Group, in the context of its strategy for the active management of its real estate portfolio (repossessed, investment properties and own used properties), has gradually classified as held for sale certain pools of real estate assets of total remaining carrying amount ca. € 11 million as at 30 June 2023 (31 December 2022: € 15 million), after their remeasurement in accordance with the IFRS 5 requirements. The Group remains committed to its plan to sell the aforementioned assets, which is expected to be completed within 2023, and undertakes all necessary actions towards this direction.

The above non-recurring fair value measurements were categorized as Level 3 of the fair value hierarchy due to the significance of the unobservable inputs used, with no change occurring up to 30 June 2023.

Eurobank Direktna a.d. disposal group classified as held for sale

On 2 March 2023, the Bank announced that it has signed a binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. (the "Transaction"). The sale was considered highly probable, therefore, as of 31 March 2023 the assets of Eurobank Direktna a.d. and the associated liabilities ("disposal group" - see below), which form part of the share purchase agreement, were classified as held for sale and presented as a discontinued operation. The subsidiary is the major part of the Group's operations in Serbia, which are presented in the International segment.

The Transaction is consistent with Eurobank's strategy to direct capital to opportunities with more compelling RoTBV (Return on Tangible Book Value) and to further enhance its presence in its core markets. In this context, based on the agreement, 100% of Eurobank Direktna a.d. disposal group was valued at € 280 million. The completion of the Transaction is expected to increase Eurobank Holdings Group's CET1 ratio by ca. 50 bps (based on 30 June 2023 ratio), reflecting mainly the release of related RWAs (Risk Weighted Assets). Following the receipt of the required regulatory approvals by the end of July 2023, the transaction is expected to be completed within 2023, after the fulfillment of specific conditions in accordance with the aforementioned share purchase agreement.

In the period ended 30 June 2023, in accordance with IFRS 5, impairment losses of € 54 million were recognized from measuring the disposal group at the lower of its carrying amount and fair value less estimated costs to sell. The fair value less estimated costs to sell of the disposal group has been determined based on the terms of the aforementioned agreement with AIK. This is a non-recurring fair value measurement, categorized as Level 3 in the fair value hierarchy due to the significance of the unobservable inputs. The impairment losses were allocated to property and equipment (€ 25 million), intangible assets (€ 20 million) and other assets (€ 9 million) of the disposal group.

The income statement, statement of total comprehensive income and cash flow statement distinguish discontinued operations from continuing operations. Comparative information has been adjusted accordingly.

The results of Eurobank Direktna a.d. disposal group presented as a discontinued operation are set out below.

	Six months ended 30 June	
	2023	2022
	€ million	€ million
Net interest income	**47**	33
Net banking fee and commission income	**10**	10
Other income/(expenses)	**1**	1
Operating Expenses	**(30)**	(31)
Profit before impairments, remeasurement losses, provisions and restructuring costs from discontinued operations	**28**	13
Impairment losses relating to loans and advances to customers	**(7)**	(6)
Remeasurement losses on non current and other assets	**(54)**	-
Other impairment losses, provisions and restructuring costs	**(12)**	(8)
Loss before tax from discontinued operations	**(45)**	(1)
Income tax [1]	**18**	(0)
Loss after tax from discontinued operations	**(27)**	(1)
Net loss from discontinued operations attributable to non controlling interests	**(11)**	(0)
Net loss from discontinued operations attributable to shareholders	**(16)**	(1)

[1] Following the classification of Eurobank Direktna a.d. disposal group as held for sale, the relevant recognition criteria for DTA were met, and therefore the Bank recognised a DTA of ca. € 18 million on the tax deductible temporary differences associated with its investment in the subsidiary and the estimated costs to sell (note 12).

The major classes of assets and liabilities of Eurobank Direktna a.d. classified as held for sale are as follows:

	30 June 2023 € million
Loans and advances to customers	1,555
Cash and balances with central banks	660
Investment securities	110
Due from credit institutions	23
Other assets	40
Total assets of disposal group classified as held for sale	**2,388**
Due to customers	1,695
Due to credit institutions	214
Other liabilities	38
Total liabilities of disposal group classified as held for sale	**1,947**
Net intragroup liabilities associated with the disposal group	169
Net assets of disposal group classified as held for sale(1)	**272**
Net assets of disposal group classified as held for sale attributable to non controlling interests	84
Net assets of disposal group classified as held for sale attributable to shareholders	**188**

(1) It includes costs to sell amounting to ca. € 8 million

As at 30 June 2023, cumulative losses (mainly currency translation differences) attributable to shareholders recognised in other comprehensive income amounted to € 124 million (31 December 2022: € 126 million).

Eurobank merchant acquiring business -Project 'Triangle'

On 30 June 2022, following the agreement with Worldline B.V. and after receiving all necessary approvals, the sale of the Bank's merchant acquiring business was completed for a cash consideration of € 254 million. The resulting gain from the transaction that was recognised in "Other income/(expenses)", amounted to ca. € 325 million before tax (ca. € 231 million after tax), including the costs directly attributable to the transaction. Further relevant information is provided in note 30 of the consolidated financial statements for the year ended 31 December 2022.

14. Derivative financial instruments

	30 June 2023		31 December 2022	
	Fair values		Fair values	
	Assets € million	Liabilities € million	Assets € million	Liabilities € million
Derivatives for which hedge accounting is not applied/ held for trading	1,628	1,435	1,916	1,541
Derivatives designated as fair value hedges	430	587	643	486
Derivatives designated as cash flow hedges	6	86	2	78
Offsetting	(1,080)	(481)	(1,376)	(444)
Total derivatives assets/liabilities	**984**	**1,627**	1,185	1,661

As at 30 June 2023 and 31 December 2022, the Group has proceeded with the offsetting of positions in CCP (Central Counterparty) cleared OTC derivative financial instruments against the cash accounts used for variation margin purposes for such derivatives. Accordingly, as at 30 June 2023, derivatives assets and liabilities of € 1,080 million and € 481 million, respectively, were offset against € 599 million cash collateral received, net of € 9 million collateral paid (31 December 2022: € 1,376 million assets and € 444 million liabilities were offset against € 932 million cash collateral received).

As at 30 June 2023, the net carrying value of the derivatives with the Hellenic Republic amounted to a liability of € 532 million (31 December 2022: € 489 million liability).

In respect of the "Net trading income/(loss)" for the comparative period ended 30 June 2022, the Group recognised approximately € 550 million gains from derivative financial instruments, of which € 390 million following the termination of interest rate swaps in the context of its updated hedging strategy and € 160 million from the mandatory discontinuance of certain long-dated hedging relationships since they no longer met the hedge accounting criteria. Further relevant information is provided in note 19 of the consolidated financial statements for the year ended 31 December 2022.

15. Loans and advances to customers

	30 June 2023 € million	31 December 2022 € million
Loans and advances to customers at amortised cost		
- Gross carrying amount	42,156	43,450
- Impairment allowance	(1,552)	(1,626)
Carrying Amount	**40,604**	41,824
Fair value changes of loans in portfolio hedging of interest rate risk	**(93)**	(163)
Loans and advances to customers at FVTPL	**15**	16
Total	**40,526**	41,677

The table below presents the carrying amount of loans and advances to customers per product line and per stage as at 30 June 2023:

	30 June 2023				31 December 2022 [4]
	12-month ECL-Stage 1 € million	**Lifetime ECL-Stage 2 € million**	**Lifetime ECL - Stage 3 and POCI [1] € million**	**Total amount € million**	Total amount € million
Loans and advances to customers at amortised cost					
Mortgage lending:					
- Gross carrying amount	6,771	2,677	581	10,029	10,201
- Impairment allowance	(20)	(158)	(254)	(432)	(409)
Carrying Amount	6,751	2,519	327	9,597	9,792
Consumer lending:					
- Gross carrying amount	2,791	351	213	3,354	3,353
- Impairment allowance	(43)	(48)	(174)	(264)	(271)
Carrying Amount	2,748	303	39	3,090	3,082
Small Business lending:					
- Gross carrying amount	2,555	690	457	3,701	3,842
- Impairment allowance	(24)	(65)	(237)	(326)	(324)
Carrying Amount	2,531	625	220	3,376	3,518
Wholesale lending: [2]					
- Gross carrying amount	22,788	1,335	949	25,072	26,054
- Impairment allowance	(66)	(63)	(401)	(530)	(621)
Carrying Amount	22,722	1,273	547	24,542	25,432
Total loans and advances to customers at AC					
- Gross carrying amount	34,904	5,053	2,199	42,156	43,450
- Impairment allowance	(153)	(333)	(1,066)	(1,552)	(1,626)
Carrying Amount	**34,751**	**4,719**	**1,134**	**40,604**	41,824
Fair value changes of loans in portfolio hedging of interest rate risk				**(93)**	(163)
Loans and advances to customers at FVTPL					
Carrying Amount [3]				**15**	16
Total				**40,526**	41,677

[1] As at 30 June 2023, POCI loans of € 33 million gross carrying amount (of which € 31 million included in non performing exposures) and € 6.4 million impairment allowance are presented in 'Lifetime ECL – Stage 3 and POCI' (31 December 2022: € 43 million gross carrying amount and € 6.5 million impairment allowance).
[2] Includes € 4,614 million related to the senior notes of Pillar, Cairo and Mexico securitizations, which have been categorized in Stage 1.
[3] Includes € 9.9 million related to the mezzanine notes of the Pillar, Cairo and Mexico securitizations.
[4] As at 31 December 2022, gross loans and advances to customers and impairment allowance relating to Eurobank Direktna a.d. classified as held for sale (note 13) amounted to € 1,639 million and € 53 million, respectively.

In line with the regulatory framework and Single Supervisory Mechanism's (SSM) requirements for Non-Performing Exposures' (NPE) management, in March 2023, the Group submitted its NPE Management Strategy for 2023-2025, along with the annual NPE stock targets at both Bank and Group level. The plan envisages the decrease of the Group's NPE ratio at 4.5% in 2025.

In the context of its NPE management strategy, the Group has structured another NPE securitization transaction (project 'Solar'), as part of a joint initiative with the other Greek systemic banks initiated since 2018, in order to decrease further its NPE ratio and strengthen its balance sheet de-risking. In addition, the Group targets to the prudential and accounting derecognition of the underlying corporate loan portfolio from its balance sheet by achieving a Significant Risk Transfer (SRT) and including 'Solar' securitization under the Hellenic Asset Protection Scheme (HAPS), thus the senior note of the securitization to become entitled to the Greek State's guarantee. The Management remains committed to its plan for the completion of the above transaction and has undertaken actions, along with the other participating banks, towards the disposal of the majority stake of the mezzanine and junior notes to be issued in the context of the above-mentioned securitization.

Accordingly, since June 2022, the Group classified the underlying corporate loan portfolio as held for sale and remeasured the portfolio's expected credit losses, in accordance with the Group's accounting policy for the impairment of financial assets, which was calculated by reference to the estimated fair value of the notes to be retained by the Group, upon the completion of transaction, and the expected consideration to be received by the sale of mezzanine and junior notes. As at 30 June 2023, the carrying amount of the aforementioned loan portfolio reached € 69 million, comprising loans with gross carrying amount of € 257 million, which carried an impairment allowance of € 188 million. Furthermore, the impairment allowance of the letters of guarantee included in the underlying portfolio reached € 1 million and was presented in "liabilities of disposal groups classified as held for sale" (note 13).

As at 30 June 2023 the Group's NPE stock slightly decreased to € 2.2 billion (31 December 2022: € 2.3 billion) and the NPE ratio remained stable at 5.2% compared to 31 December 2022, following the classification of Eurobank Direktna a.d. disposal group (as of March 2023) and project "Solar" underlying loan portfolio (since June 2022) as held for sale, while the NPE coverage ratio stood at 73.2% (31 December 2022: 74.6%).

In April 2023, the Bank announced the launch of a reward initiative for housing loan clients under floating rate loans disbursed until 31 December 2022, who have no delinquencies and meet their financial obligations in a consistent manner. The reward program introduced "a cap" in the loans' applicable base rates for a period of 12 months, with a view to protect borrowers against reference rates' increase. The above initiative resulted in a modification loss of ca € 8 million that was recorded under ''Other income/(expenses)".

16. Investment securities

	30 June 2023			
	12-month ECL-Stage 1 € million	Lifetime ECL-Stage 2 € million	Lifetime ECL-Stage 3 € million	Total € million
Debt securities at amortised cost				
- Gross carrying amount	9,964	12	31	10,007
- Impairment allowance	(11)	(1)	(6)	(18)
Debt securities at FVOCI	3,345	21	-	3,366
Total	13,298	32	25	13,355
Debt securities at FVTPL				24
Equity securities at FVOCI				9
Equity securities at FVTPL				215
Total Investment securities				13,603

	31 December 2022			
	12-month ECL-Stage 1 € million	Lifetime ECL-Stage 2 € million	Lifetime ECL-Stage 3 € million	Total € million
Debt securities at amortised cost				
- Gross carrying amount	9,175	6	33	9,214
- Impairment allowance	(12)	(0)	(10)	(22)
Debt securities at FVOCI	3,612	121	-	3,733
Total	12,775	127	23	12,925
Debt securities at FVTPL				0
Equity securities at FVOCI[(1)]				95
Equity securities at FVTPL				241
Total Investment securities				13,261

[(1)] It refers to Hellenic Bank, accounted for as Group's associate as of the second quarter 2023 (note 18).

The investment securities per category are analyzed as follows:

	30 June 2023			
	Investment securities at FVOCI € million	**Investment securities at amortised cost € million**	**Investment securities at FVTPL € million**	**Total € million**
Debt securities				
- Greek government bonds	**784**	**4,552**	**-**	**5,336**
- Greek government treasury bills	**63**	**-**	**-**	**63**
- Other government bonds	**1,302**	**2,327**	**-**	**3,629**
- Other issues	**1,217**	**3,110**	**24**	**4,351**
	3,366	**9,989**	**24**	**13,379**
Equity securities	**9**	**-**	**215**	**224**
Total	**3,375**	**9,989**	**239**	**13,603**

	31 December 2022			
	Investment securities at FVOCI € million	Investment securities at amortised cost € million	Investment securities at FVTPL € million	Total € million
Debt securities				
- Greek government bonds	897	4,374	-	5,271
- Greek government treasury bills	79	-	-	79
- Other government bonds	1,591	1,919	-	3,510
- Other issues	1,166	2,899	0	4,065
	3,733	9,192	0	12,925
Equity securities	95	-	241	336
Total	3,828	9,192	241	13,261

As at 30 June 2023, the carrying value of the Group's Russian debt exposures, which have been classified as credit impaired, amounted to € 22 million, including an impairment allowance of € 5 million (31 December 2022: € 19 million, including an impairment allowance of € 7 million).

In April 2023, Attica Bank, a financial institution located in Greece, announced the completion of its share capital increase with the joint participation of Hellenic Financial Stability Fund (HFSF) and private investors. Eurobank participated in the above capital increase and designated its investment amounting to € 10 million at FVOCI. As at 30 June 2023, its fair value stood at € 9 million.

For the period ended 30 June 2023, the Group proceeded with the disinvestment of debt securities measured at amortized cost of face value of € 204 million, mainly for risk concentration management purposes, resulting in a derecognition gain of € 0.2 million approximately.

17. Group composition

17.1 Shares in subsidiaries

The following is a listing of the Company's subsidiaries as at 30 June 2023, included in the interim consolidated financial statements for the period ended 30 June 2023:

Name	Note	Percentage holding	Country of incorporation	Line of business
Eurobank S.A.		100.00	Greece	Banking
Be Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services		98.01	Greece	Business-to-business e-commerce, accounting, tax and sundry services
Eurobank Asset Management Mutual Fund Mngt Company Single Member S.A.		100.00	Greece	Mutual fund and asset management
Eurobank Equities Investment Firm Single Member S.A.		100.00	Greece	Capital markets and advisory services
Eurobank Leasing Single Member S.A.		100.00	Greece	Leasing
Eurobank Factors Single Member S.A.		100.00	Greece	Factoring
Herald Greece Single Member Real Estate development and services S.A. 1		100.00	Greece	Real estate
Herald Greece Single Member Real Estate development and services S.A. 2		100.00	Greece	Real estate
Standard Single Member Real Estate S.A.		100.00	Greece	Real estate
Cloud Hellas Single Member Ktimatiki S.A.		100.00	Greece	Real estate
Piraeus Port Plaza 1 Single Member Development S.A.		100.00	Greece	Real estate
(Under liquidation) Anchor Hellenic Investment Holding Single Member S.A.		100.00	Greece	Real estate
Athinaiki Estate Investments Single Member S.A.		100.00	Greece	Real estate
Piraeus Port Plaza 2 Single Member Development S.A.		100.00	Greece	Real estate
Piraeus Port Plaza 3 Single Member Development S.A.		100.00	Greece	Real estate
Tenberco Real Estate Single Member S.A.		100.00	Greece	Real estate
Value Touristiki Single Member Development S.A.		100.00	Greece	Real estate
ADEXA Real Estate Single Member S.A.	i	100.00	Greece	Real estate
Eurobank Bulgaria A.D.	d	99.99	Bulgaria	Banking
PB Personal Finance E.A.D.	h	99.99	Bulgaria	Pension assurance intermediary business
Berberis Investments Ltd		100.00	Channel Islands	Holding company
Eurobank Cyprus Ltd		100.00	Cyprus	Banking
ERB New Europe Funding III Ltd		100.00	Cyprus	Finance company
Foramonio Ltd		100.00	Cyprus	Real estate
NEU 03 Property Holdings Ltd		100.00	Cyprus	Holding company
NEU Property Holdings Ltd		100.00	Cyprus	Holding company
Lenevino Holdings Ltd		100.00	Cyprus	Real estate
Rano Investments Ltd		100.00	Cyprus	Real estate
Neviko Ventures Ltd		100.00	Cyprus	Real estate
Zivar Investments Ltd		100.00	Cyprus	Real estate
Amvanero Ltd		100.00	Cyprus	Real estate
Revasono Holdings Ltd		100.00	Cyprus	Real estate
Volki Investments Ltd		100.00	Cyprus	Real estate
Adariano Investments Ltd		100.00	Cyprus	Real estate
Elerovio Holdings Ltd		100.00	Cyprus	Real estate
Afinopio Investments Ltd	l	100.00	Cyprus	Real estate
Ovedrio Holdings Ltd	l	100.00	Cyprus	Real estate
Primoxia Holdings Ltd	l	100.00	Cyprus	Real estate
Eurobank Private Bank Luxembourg S.A.		100.00	Luxembourg	Banking
Eurobank Fund Management Company (Luxembourg) S.A.		100.00	Luxembourg	Fund management
ERB Lux Immo S.A.		100.00	Luxembourg	Real estate
ERB New Europe Funding B.V.		100.00	Netherlands	Finance company
ERB New Europe Funding II B.V.		100.00	Netherlands	Finance company
ERB New Europe Holding B.V.		100.00	Netherlands	Holding company
ERB IT Shared Services S.A.		100.00	Romania	Informatics data processing
IMO Property Investments Bucuresti S.A.		100.00	Romania	Real estate services
IMO-II Property Investments S.A.	j	100.00	Romania	Real estate services
Seferco Development S.A.		99.99	Romania	Real estate
Eurobank Direktna a.d.	c	70.00	Serbia	Banking
ERB Leasing A.D. Beograd-in Liquidation	f	100.00	Serbia	Leasing
IMO Property Investments A.D. Beograd		100.00	Serbia	Real estate services
Reco Real Property A.D. Beograd		100.00	Serbia	Real estate
Karta II Plc		-	United Kingdom	Special purpose financing vehicle
Astarti Designated Activity Company		-	Ireland	Special purpose financing vehicle
ERB Recovery Designated Activity Company		-	Ireland	Special purpose financing vehicle

The following entities are not included in the interim consolidated financial statements due to immateriality:

(i) the Group's special purpose financing vehicles and the related holding entities, which are dormant and/or are under liquidation: Themeleion III Holdings Ltd, Themeleion IV Holdings Ltd, Themeleion Mortgage Finance Plc, Themeleion II Mortgage Finance Plc, Themeleion III Mortgage Finance Plc, Themeleion IV Mortgage Finance Plc, Themeleion V Mortgage Finance Plc, Themeleion VI Mortgage Finance Plc, Anaptyxi APC Ltd and Byzantium II Finance Plc.

(ii) the holding entity of Karta II Plc: Karta II Holdings Ltd.

(iii) dormant entity: Enalios Real Estate Development S.A.

(iv) entities controlled by the Group pursuant to the terms of the relevant share pledge agreements: Finas S.A., Rovinvest S.A. and Promivet S.A.

(a) ERB Hellas (Cayman Islands) Ltd, Cayman Islands

In December 2022, the liquidation of the company was decided. In February 2023, the return of the company's share capital to the Bank, through the repurchase of its own shares, was completed.

(b) Retail Development S.A., Romania

In February 2023, the Bank signed an agreement for the sale of its participation interest of 99.99% in Retail Development S.A., along with the loan receivable from the company, to a third party for a cash consideration of € 8.1 million. The resulting loss on disposal amounted to € 1.1 million and was recognized in "Other income/(expenses)".

(c) Eurobank Direktna a.d., Serbia

On 2 March 2023, the Bank announced that it has signed a binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. Therefore, since March 2023, Eurobank Direktna a.d. has been classified as held for sale (note 13).

(d) Acquisition of BNP Paribas Personal Finance Bulgaria by Eurobank Bulgaria A.D.

On 9 December 2022, Eurobank Holdings announced that it had reached an agreement for the acquisition of BNP Paribas Personal Finance Bulgaria (the "Business") by Eurobank's subsidiary in Bulgaria, Eurobank Bulgaria A.D. ("Postbank"). The completion of the transaction took place in May 2023, following the receipt of the approvals by all competent regulatory authorities (note 17.2).

(e) ERB Hellas Plc, United Kingdom

In April 2023, the liquidation of the company was completed.

(f) ERB Leasing A.D. Beograd-in Liquidation, Serbia

In May 2023, the Bank's subsidiary Eurobank Direktna a.d. transferred the shares held in ERB Leasing A.D. Beograd to the Bank and thus, the Group's participation in the company increased from 85.15% to 100%.

(g) IMO Property Investments Sofia E.A.D., Bulgaria

During the second quarter of 2023, the sale of IMO Property Investments Sofia E.A.D. was considered highly probable, therefore the company was classified as held for sale and measured by reference to the pre-agreed consideration with the third party, being the lower of its carrying amount and fair value less costs to sell, in accordance with IFRS 5. Accordingly, a remeasurement/impairment loss of € 23 million on real estate properties was recognised in the income statement. In May 2023, the sale of the Bank's participation interest of 100% in the company, along with the loan receivable from the company, was completed with a total cash consideration of € 15.5 million.

(h) PB Personal Finance EAD, Bulgaria

In May 2023, the Bank's subsidiary Eurobank Bulgaria A.D. established the wholly owned subsidiary PB Personal Finance EAD.

(i) ADEXA Real Estate Single Member S.A., Greece

In June 2023, the Bank acquired 100% of the shares and voting rights of ADEXA Real Estate Single Member S.A. for a cash consideration of € 50.8 million. In line with IFRS 3 requirements, the acquisition was accounted for as an asset acquisition rather than a business combination. Accordingly, no goodwill was recognized, whereas the acquired property, along with other assets/other liabilities, were recognized in the Group's balance sheet by allocating the purchase price to the individual identifiable assets and liabilities on the basis of their relative fair values. Following the above treatment, at the acquisition date the total assets of the company amounted to € 52.3 million, of which € 33.4 million refer to own used property and € 18.7 million refer to investment property, while total liabilities amounted to € 1.5 million.

(j) IMO-II Property Investments S.A., Romania

In May 2023, the liquidation of the company was decided.

(k) Sagiol Ltd, Macoliq Holdings Ltd and Senseco Trading Ltd, Cyprus

In June 2023, the companies' liquidator resolved the distribution of their surplus assets to the Bank (their sole shareholder). The effect of the aforementioned liquidations was immaterial for the Group.

(l) Afinopio Investments Ltd, Ovedrio Holdings Ltd and Primoxia Holdings Ltd, Cyprus

In June 2023, in the context of the management of its NPE, the Bank's subsidiary Eurobank Cyprus Ltd established the wholly owned subsidiaries, Afinopio Investments Ltd, Ovedrio Holdings Ltd and Primoxia Holdings Ltd to operate as real estate companies in Cyprus.

Post balance sheet events

Eurobank Private Bank Luxembourg S.A., Luxembourg

In July 2023, the Greek branch of the Bank's subsidiary Eurobank Private Bank Luxembourg S.A. was established.

NEU Property Holdings Ltd and NEU 03 Property Holdings Ltd, Cyprus

In July 2023, the liquidation of the companies was decided.

Eurobank Ananeosimes Single Member S.A., Greece

In July 2023, the Bank established the wholly owned subsidiary Eurobank Ananeosimes Single Member S.A. to operate as a company in the area of the production and distribution of solar generated electric energy in Greece.

17.2 Acquisition of BNP Paribas Personal Finance Bulgaria by Eurobank Bulgaria A.D.

On 9 December 2022, Eurobank Holdings announced that it had reached an agreement for the acquisition of BNP Paribas Personal Finance Bulgaria (the Business) by Eurobank's subsidiary in Bulgaria, Eurobank Bulgaria A.D. ("Postbank"). Specifically, Postbank had signed a put option letter for the benefit of BNP Paribas Personal Finance providing for the sale of its Bulgarian branch, based on the agreed terms. Pursuant to the above agreement, a consultation process with the French Labour Council had taken place, the conclusion of which led to the signing of a Business Transfer Agreement ("the Agreement") in January 2023. The transaction was completed on 31 May 2023, following the receipt of the approvals by all competent regulatory authorities.

The acquisition was accounted for as a business combination using the purchase method of accounting. In accordance with the terms of the Agreement, the funding arrangements of the branch were excluded from the liabilities assumed by Postbank. Accordingly, the consideration transferred for the acquisition of the Business amounted to € 392 million.

The provisional fair values of the identifiable assets and liabilities of the Business as at the date of the acquisition and the resulting goodwill are presented in the table below:

	Fair value € million
ASSETS	
Cash and balances with central banks	**3**
Net loans and advances to customers	**450**
Gross contractual amount: € 500 million	
Other assets[(1)]	**9**
Total assets	**461**
LIABILITIES	
Due to customers	**103**
Other liabilities	**9**
Total liabilities	**111**
Net assets acquired	**350**
Goodwill arising on acquisition	**42**
Purchase consideration transferred[(2)]	**392**

[(1)] *Other assets include right of use assets, tangible, intangible and other assets.*

[(2)] *Net cash flow on acquisition after cash and cash equivalents acquired amounted to € 389 million.*

The results of the Business were incorporated in the Group's financial statements prospectively, as of 1 June 2023. If the acquisition had occurred on 1 January 2023, the Business would have contributed net profit of € 12 million to the Group for the period from 1 January 2023 up to 31 May 2023.

The transaction is in line with the Group's strategy to further strengthen Postbank's position in the Bulgarian retail sector, while it also provides significant opportunities for cross-selling, given BNP Paribas Personal Finance Bulgaria's clientele of more than 300 thousand clients.

17.3 Consolidated balance sheet and income statement of Eurobank S.A.

Eurobank Holdings Group comprises Eurobank S.A. Group, which constitutes its most significant component and the Company's directly held subsidiary Be Business Exchanges S.A. The consolidated balance sheet and income statement of Eurobank S.A. including explanatory information regarding the main differences with those of Eurobank Holdings are set out below:

	30 June 2023 € million	31 December 2022 € million
ASSETS		
Cash and balances with central banks	**12,619**	14,994
Due from credit institutions	**1,855**	1,329
Securities held for trading	**327**	135
Derivative financial instruments	**984**	1,185
Loans and advances to customers	**40,526**	41,677
Investment securities	**13,603**	13,261
Investments in associates and joint ventures	**489**	173
Property and equipment	**781**	775
Investment property	**1,355**	1,410
Intangible assets	**329**	297
Deferred tax assets	**4,113**	4,161
Other assets	**2,074**	1,976
Assets of disposal groups classified as held for sale	**2,468**	84
Total assets	**81,523**	81,457
LIABILITIES		
Due to central banks	**7,402**	8,774
Due to credit institutions	**1,677**	1,814
Derivative financial instruments	**1,627**	1,661
Due to customers	**55,949**	57,297
Debt securities in issue	**4,101**	3,554
Other liabilities	**1,424**	1,703
Liabilities of disposal groups classified as held for sale	**1,948**	1
Total liabilities	**74,128**	74,804
EQUITY		
Share capital	**3,941**	3,941
Reserves and retained earnings	**3,370**	2,618
Equity attributable to shareholders of the Bank	**7,311**	6,559
Non controlling interests	**84**	94
Total equity	**7,395**	6,653
Total equity and liabilities	**81,523**	81,457

	Six months ended 30 June	
	2023	2022
	€ million	€ million
Net interest income	**1,043**	668
Net banking fee and commission income	**222**	197
Income from non banking services	**48**	48
Net trading income/(loss)	**(21)**	626
Gains less losses from investment securities	**55**	(21)
Other income/(expenses)	**96**	291
Operating income	**1,443**	1,809
Operating expenses	**(439)**	(415)
Profit from operations before impairments, provisions and restructuring costs	**1,004**	1,394
Impairment losses relating to loans and advances to customers	**(165)**	(121)
Other impairment losses and provisions	**(33)**	(32)
Restructuring costs	**(13)**	(61)
Share of results of associates and joint ventures	**21**	14
Profit before tax	**814**	1,194
Income tax	**(109)**	(250)
Net profit from continuing operations	**705**	944
Net loss from discontinued operations	**(27)**	(1)
Net profit	**678**	943
Net loss attributable to non controlling interests	**(11)**	(1)
Net profit attributable to shareholders	**689**	944

As at 30 June 2023, the total assets and total liabilities of Eurobank S.A. Group are € 2 million higher and € 59 million higher than those of Eurobank Holdings Group, respectively. Hence, the total equity of Eurobank S.A. Group amounting to € 7,395 million is € 57 million lower than that of Eurobank Holdings Group mainly due to the intercompany assets and liabilities of Eurobank Holdings and its direct subsidiary with the Bank. The net profit attributable to shareholders of Eurobank S.A. Group for the period amounting to € 689 million is € 5 million higher than that of Eurobank Holdings Group mainly due to € 4 million higher operating expenses of Eurobank Holdings Group.

18. Investments in associates and joint ventures

As at 30 June 2023, the carrying amount of the Group's investments in associates and joint ventures amounted to € 489 million (31 December 2022: € 173 million). The following is the listing of the Group's associates and joint ventures as at 30 June 2023:

Name	Country of incorporation	Line of business	Group's share
Femion Ltd	Cyprus	Special purpose investment vehicle	66.45
Global Finance S.A.(1)	Greece	Investment financing	33.82
Rosequeens Properties Ltd	Cyprus	Special purpose investment vehicle	33.33
Odyssey GP S.a.r.l.	Luxembourg	Special purpose investment vehicle	20.00
Eurolife FFH Insurance Group Holdings S.A.(1)	Greece	Holding company	20.00
Alpha Investment Property Commercial Stores S.A.	Greece	Real estate	30.00
Peirga Kythnou P.C.	Greece	Real estate	50.00
doValue Greece Loans and Credits Claim Management S.A.	Greece	Loans and Credits Claim Management	20.00
Perigenis Business Properties S.A.	Greece	Real estate	18.90
Hellenic Bank Public Company Ltd(1)	Cyprus	Banking	29.20

(1) Hellenic Bank group (Hellenic Bank Public Company Ltd and its subsidiaries), Eurolife Insurance group (Eurolife FFH Insurance Group Holdings S.A. and its subsidiaries) and Global Finance group (Global Finance S.A. and its subsidiaries) are considered as the Group's associates.

IFRS changes applicable to Eurolife FFH Insurance Group Holdings S.A.

As of 1 January 2023, Eurolife FFH Insurance Group Holdings S.A. (Eurolife) has adopted IFRS 17 “Insurance Contracts” and IFRS 9 “Financial instruments”. On the same date, the Group’s share of the positive impact from the Eurolife transition to IFRS 17 amounted to € 15 million recognized directly in equity, analyzed in a) € 30 million increase in reserves due to the change of financial assumptions for insurance contracts since the transition date, and b) € 15 million decrease in retained earnings. On the other hand, the Eurolife transition to IFRS 9 resulted in a) a minor impact on the Group’s equity due to the recognition of expected credit losses for financial assets at amortized cost and b) € 8 million decrease of the Group’s fair value reserve against retained earnings due to the designation of equity instruments at FVTPL, previously classified as available for sale under IAS 39 and the recognition of expected credit losses for debt securities at FVOCI.

Tefin S.A., Greece

In June 2023, the liquidation of the company was completed with the distribution of its surplus assets to the Bank amounting to € 2.7 million.

Hellenic Bank Public Company Ltd, Cyprus

On 4 April 2023 the Bank announced that after the receipt of the relevant regulatory approvals, it has completed the acquisition of an additional 13.41% holding in Hellenic Bank Public Company Ltd (“Hellenic Bank”), a financial institution located in Cyprus and listed in the Cyprus Stock Exchange, for a consideration of € 70 million. Following that, the total holding in Hellenic Bank, including the previously held participation of 15.8% (designated at FVOCI) with carrying value of € 103 million on the above date, reached 29.2% and the Group in accordance with the IFRS is considered to have significant influence over the entity.

In the context of the initial application of the equity accounting, the difference between: a) the share of the fair value of the Hellenic Bank group’s net identifiable assets (based on provisional values) at the acquisition date, amounting to € 287 million and b) the deemed cost of the Bank’s holding in the entity amounting € 173 million, resulted in a gain of € 111 million, net of € 3 million acquisition-related costs, that was recognized in the income statement line “Other income/(expenses)”. The aforementioned gain on acquisition reflects the trading price levels of the Hellenic Bank shares in the local stock exchange at the time of the agreement.

As at 30 June 2023, the equity accounting for Hellenic Bank group has been applied based on the available published financial information of the previous quarter. On the same date, the fair value of the investment in Hellenic bank based on its quoted market price in the local stock exchange amounted to € 232.7 million.

19. Property and equipment and Investment property

The carrying amounts of property and equipment and investment property are analyzed as follows:

	30 June 2023 € million	31 December 2022 € million
Land, buildings, leasehold improvements	**474**	455
Furniture, equipment, motor vehicles	**47**	50
Computer hardware, software	**82**	83
Right of use of assets [(1)]	**178**	187
Total property and equipment	**781**	775
Investment Property [(2)]	**1,355**	1,410
Total	**2,136**	2,185

[(1)] *The respective lease liabilities are presented in “other liabilities” (note 25).*

[(2)] *In the period ended 30 June 2023, the decrease of investment property by ca. € 55 million mainly derives from a) € ca. 47 million decrease relating to the sale of the Bank’s subsidiaries IMO Property Investments Sofia E.A.D and Retail Development S.A (note 17.1), b) € ca. 14 million decrease due to disposals of investment properties, c) € 10.5 million decrease due to a transfer to the Bank’s own used property and d) € 18.7 million increase following the acquisition of the Bank’s subsidiary ADEXA Real Estate Single Member S.A. (note 17.1).*

In the period ended 30 June 2023, the Group recognized rental income of € 45 million from investment properties in the income statement line ‘income from non banking services’ (30 June 2022: € 46 million).

The valuation methods and key assumptions required under each method, based on which the carrying value of investment property portfolio is determined, as well as the sensitivity analysis on key assumptions, are described in the consolidated financial statements for the year ended 31 December 2022.

20. Other assets

	30 June 2023 € million	31 December 2022 € million
Receivable from Deposit Guarantee and Investment Fund	**496**	495
Repossessed properties and relative prepayments	**570**	577
Pledged amount for a Greek sovereign risk financial guarantee	**235**	234
Balances under settlement [(1)]	**50**	51
Deferred costs and accrued income	**126**	92
Other guarantees	**216**	215
Income tax receivable [(2)]	**58**	30
Other assets	**324**	286
Total	**2,075**	1,980

[(1)] Includes settlement balances with customers relating to banking and brokerage activities.
[(2)] Includes withholding taxes, net of provisions.

As at 30 June 2023, other assets net of provisions, amounting to € 324 million include, among others, receivables related to (a) prepayments to suppliers, (b) public entities, (c) property management activities, (d) legal cases and e) the sale of the Bank's Merchant Acquiring Business in 2022.

21. Due to central banks

	30 June 2023 € million	31 December 2022 € million
Secured borrowing from ECB	**7,402**	8,774

As at 30 June 2023, the Group had received € 3.7 bn funding under the main refinancing operations (MRO) of the European Central Bank (ECB), while the outstanding principal under the TLTRO III refinancing program of ECB amounted to € 3.7 bn (31 December 2022: € 8.9 bn outstanding principal under TLTRO III program).

22. Due to credit institutions

	30 June 2023 € million	31 December 2022[(2)] € million
Secured borrowing from credit institutions	**812**	764
Borrowings from international financial and similar institutions	**416**	663
Deposits from banks received as collateral [(1)]	**229**	294
Current accounts and settlement balances with banks	**94**	76
Interbank takings	**126**	17
Total	**1,677**	1,814

[(1)] The amount presented is after offsetting of € 608 million collaterals received for Group's positions in CCP (Central Counterparty) cleared OTC derivative financial instruments against such derivatives (31 December 2022: € 932 million) (note 14).
[(2)] As at 31 December 2022, due to credit institutions relating to Eurobank Direktna a.d. disposal group classified as held for sale (note 13) amounted to € 218 million.

Borrowings from international financial and similar institutions include borrowings from European Investment Bank, European Bank for Reconstruction and Development and other similar institutions.

23. Due to customers

	30 June 2023 € million	31 December 2022 (1) € million
Savings and current accounts	**38,058**	42,840
Term deposits	**17,834**	14,198
Repurchase agreements	**-**	201
Total	**55,892**	57,239

(1) *As at 31 December 2022, due to customers relating to Eurobank Direktna a.d. disposal group classified as held for sale (note 13) amounted to € 1,630 million.*

As at 30 June 2023, due to customers for the Greek and International operations amounted to € 38,976 million and € 16,916 million, respectively (31 December 2022: € 39,575 million and € 17,664 million, respectively).

24. Debt securities in issue

	30 June 2023 € million	31 December 2022 € million
Securitisations	**556**	553
Subordinated notes (Tier 2)	**1,244**	1,259
Medium-term notes (EMTN)	**2,299**	1,740
Total	**4,099**	3,552

Securitisations

The carrying value of the class A asset backed securities issued by the Bank's special purpose entities Karta II plc and Astarti DAC as at 30 June 2023, amounted to € 306 million and € 250 million, respectively.

Tier 2 Capital instruments

On 30 November 2022, the Company announced the issuance of a € 300 million subordinated Tier II debt instrument which matures in December 2032, is callable in December 2027 offering a coupon of 10% per annum and is listed on the Luxembourg Stock Exchange's Euro MTF market. On the same date, the Bank issued a subordinated instrument of equivalent terms, held by the Company.

In January 2018, Eurobank Ergasias S.A. issued Tier 2 capital instruments of face value of € 950 million, in replacement of the preference shares which had been issued in the context of the first stream of Hellenic Republic's plan to support liquidity in the Greek economy under Law 3723/2008. The aforementioned instruments have a maturity of ten years (until 17 January 2028) and pay fixed nominal interest rate of 6.41%, that shall be payable semi-annually.

Covered bonds

Financial disclosures required by the Act 2620/28.08.2009 of the Bank of Greece in relation to the covered bonds issued, are available at the Bank's website (Investor Report for Covered Bonds Programs).

Medium-term notes (EMTN)

In January 2023, the Bank completed the issue of a € 500 million senior preferred note. The bond, which is listed in the Luxembourg Stock Exchange's Euro MTF market, matures in January 2029 and is callable at par in January 2028, offering a coupon of 7% per annum. The proceeds from the issue will support Group's strategy to ensure ongoing compliance with its MREL requirements and will be used for the Bank's general funding purposes. Further information about the issue is provided in the relevant announcement published in the Bank's website on 20 January 2023.

During the period ended 30 June 2023, the Bank proceeded with the issue of medium term notes of face value of € 67 million, which were designated for Group's customers.

25. Other liabilities

	30 June 2023 € million	31 December 2022 € million
Balances under settlement[(1)]	**436**	444
Lease liabilities	**196**	205
Deferred income and accrued expenses	**209**	165
Other provisions	**74**	71
ECL allowance for credit related commitments	**57**	57
Standard legal staff retirement indemnity obligations	**21**	19
Employee termination benefits	**48**	61
Sovereign risk financial guarantee	**32**	33
Income taxes payable	**40**	14
Deferred tax liabilities (note 12)	**33**	31
Trading liabilities	**143**	419
Other liabilities	**135**	182
Total	**1,424**	1,701

[(1)] *Includes settlement balances relating to bank cheques and remittances, credit card transactions, other banking and brokerage activities.*

As at 30 June 2023, other liabilities amounting to € 135 million mainly consist of payables relating with (a) suppliers and creditors, (b) contributions to insurance organizations, and (c) duties and other taxes.

As at 30 June 2023, other provisions amounting to € 74 million (31 December 2022: € 71 million) mainly include: (a) € 26 million for outstanding litigations against the Group (note 30), (b) € 22 million relating to the sale of Bank's former subsidiaries and c) € 17 million for other operational risk events.

As at 30 June 2023, trading liabilities amounted to € 143 million (31 December 2022: € 419 million) following a significant decrease of the short positions in debt instruments entered into in the context of the Group's economic hedging strategies, aiming to manage on a pool basis market driven risks that derive from asset positions. For the period ended 30 June 2023, the loss recognized in net trading income from the aforementioned short positions amounted to € 23 million (30 June 2022: € 70 million gain).

26. Share capital, share premium and treasury shares

As at 30 June 2023, the par value of the Company's shares is € 0.22 per share (31 December 2022: € 0.22). All shares are fully paid. The balance of share capital and share premium is as follows:

	Share capital € million	Share premium € million
Balance at 30 June 2023	**816**	**1,161**

The following is an analysis of the movement in the number of the Company's shares outstanding:

	Number of shares		
	Issued Shares	Treasury Shares	Net
Balance at 1 January 2023	**3,710,677,508**	**(260,036)**	**3,710,417,472**
Purchase of treasury shares	-	(2,786,597)	**(2,786,597)**
Sale of treasury shares	-	1,050,545	**1,050,545**
Balance at 30 June 2023	**3,710,677,508**	**(1,996,088)**	**3,708,681,420**

Treasury shares

In the ordinary course of business, the Company's subsidiaries, except for the Bank, may acquire and dispose of treasury shares. According to paragraph 1 of Article 16c of Law 3864/2010, during the period of the participation of the HFSF in the share capital of the Company, the Company is not permitted to purchase treasury shares without the approval of the HFSF.

In addition, as at 30 June 2023 the number of the Company's shares held by the Group's associates in the ordinary course of their insurance and investing activities was 64,163,790 in total (31 December 2022: 64,163,790).

Post balance sheet event

On 20 July 2023, the General Meeting of the Company's Shareholders approved the acquisition of 52,080,673 Company's shares in accordance with article 49 of Law 4548/2018, and in particular the acquisition of all of the Company's shares presently owned by the HFSF and authorized the Board of Directors (BoD) to determine the specific conditions and relevant details for the acquisition, taking into account the supervisory approvals (note 32). The duration for which the approval was granted was set at six months from the day of the General Meeting, while the maximum purchase price was set at € 1.90 per share and the minimum purchase price was set at € 1.10 per share. According to article 49 of Law 4548/2018, the maximum number of shares that the Company may acquire, added together with the shares belonging to the Company from time to time, cannot exceed 10% of its share capital.

Share options

Under the five-year shares award plan approved in 2020 and started in 2021, the executives and personnel of Eurobank Holdings and its affiliated companies are granted share options rights, which are exercised in portions annually during the term of the plan by issuing new shares with a corresponding share capital increase. Each portion may be exercised wholly or partly and converted into shares at the employees' option, provided that they remain employed by the Group until the first available exercise date. The maximum number of rights that can be approved was set at 55,637,000 rights, each of which would correspond to one new share and the exercise price of each new share would be equal to € 0.23.

The movement of share options during the period is analysed as follows:

Share options granted	2023
Balance at 1 January 2023	**22,268,322**
Options awarded during the period	-
Options cancelled during the period	(167,844)
Options exercised during the period	-
Balance at 30 June 2023	**22,100,478**

The share options outstanding at the end of the period have the following expiry dates:

Expiry date [1]	Share options 30 June 2023
2023	5,457,932
2024	7,074,513
2025	3,104,194
2026	2,595,139
2027	2,595,139
2028	1,273,561
Weighted average remaining contractual life of share options outstanding at the end of the period	21 months

[1] *Based on the earliest contractual exercise date.*

The terms of the share options granted to the employees of the Group, along with the valuation method and the inputs used to measure the share options, are presented in note 39 of the Group's consolidated financial statements for the year ended 31 December 2022.

27. 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 in the principal (or most advantageous) market 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 another valuation technique that is appropriate in the circumstances and maximizes the use of relevant observable inputs and minimizes 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.

The Group's financial instruments measured at fair value or at amortized cost for which fair value is disclosed are categorized into the three levels of the fair value hierarchy based on whether the inputs to the fair values are observable or unobservable, as follows:

(a) Level 1-Financial instruments measured based on quoted prices (unadjusted) in active markets for identical financial instruments that the Group can access at the measurement date. A market is considered active when quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and represent actually and regularly occurring transactions. Level 1 financial instruments include actively quoted debt instruments held or issued by the Group, equity and derivative instruments traded on exchanges, as well as mutual funds that have regularly and frequently published quotes.

(b) Level 2-Financial instruments measured using valuation techniques with inputs, other than level 1 quoted prices, that are observable either directly or indirectly, such as: i) quoted prices for similar financial instruments in active markets, ii) quoted prices for identical or similar financial instruments in markets that are not active, iii) inputs other than quoted prices that are directly or indirectly observable, mainly interest rates and yield curves observable at commonly quoted intervals, forward exchange rates, equity prices, credit spreads and implied volatilities obtained from internationally recognized market data providers and iv) other unobservable inputs which are insignificant to the entire fair value measurement. Level 2 financial instruments include over the counter (OTC) derivatives, less liquid debt instruments held or issued by the Group and equity instruments.

(c) Level 3-Financial instruments measured using valuation techniques with significant unobservable inputs. When developing unobservable inputs, best information available is used, including own data, while at the same time market participants' assumptions are reflected (e.g. assumptions about risk). Level 3 financial instruments include unquoted equities or equities traded in markets that are not considered active, certain OTC derivatives, loans and advances to customers including securitized notes of loan portfolios originated by the Group and recognized in financial assets and certain debt securities held or issued by the Group.

Financial instruments carried at fair value

The fair value hierarchy categorization of the Group's financial assets and liabilities measured at fair value is presented in the following tables:

	30 June 2023			
	Level 1 € million	**Level 2 € million**	**Level 3 € million**	**Total € million**
Securities held for trading	**324**	**-**	**-**	**324**
Investment securities at FVTPL	**125**	**20**	**94**	**239**
Derivative financial instruments[(1)]	**4**	**980**	**0**	**984**
Investment securities at FVOCI	**3,192**	**183**	**-**	**3,375**
Loans and advances to customers mandatorily at FVTPL	**-**	**-**	**15**	**15**
Financial assets measured at fair value	**3,645**	**1,183**	**109**	**4,937**
Derivative financial instruments[(1)]	**0**	**1,627**	**-**	**1,627**
Trading liabilities	**143**	**-**	**-**	**143**
Financial liabilities measured at fair value	**143**	**1,627**	**-**	**1,770**

	31 December 2022			
	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Securities held for trading	134	-	-	134
Investment securities at FVTPL	93	15	133	241
Derivative financial instruments[(1)]	1	1,178	6	1,185
Investment securities at FVOCI	3,600	228	-	3,828
Loans and advances to customers mandatorily at FVTPL	-	-	16	16
Financial assets measured at fair value	3,828	1,421	155	5,404
Derivative financial instruments[(1)]	1	1,660	-	1,661
Trading liabilities	419	-	-	419
Financial liabilities measured at fair value	420	1,660	-	2,080

[(1)] Amounts are after offsetting € 1,080 million and € 481 million level 2 derivative financial assets and liabilities, respectively, against cash collateral received (2022: after offsetting € 1,376 million and € 444 million derivative financial assets and liabilities, respectively) (note 14).

The Group recognizes transfers into and out of the fair value hierarchy levels at the beginning of the quarter in which a financial instrument's transfer was effected. During the period ended 30 June 2023, the Group transferred OTC derivative instruments of € 6 million from Level 3 to Level 2 following the assessment on the significance of the CVA adjustment to their entire fair value measurement, calculated based on internal rating models.

Reconciliation of Level 3 fair value measurements

	30 June 2023 € million
Balance at 1 January	**155**
Transfers into Level 3	1
Transfers out of Level 3	(6)
Additions, net of disposals and redemptions[1]	(40)
Total gain/(loss) for the period included in profit or loss	0
Foreign exchange differences and other	(1)
Balance at 30 June	**109**

[1] *Mainly refers to Grivalia Hospitality S.A. (note 32).*

Group's valuation processes and techniques

The Group's processes and procedures governing the fair valuations are established by the Group Market Counterparty Risk Sector in line with the Group's accounting policies. The Group uses widely recognized valuation models for determining the fair value of common financial instruments that are not quoted in an active market, such as interest and cross currency swaps, that use only observable market data and require little management estimation and judgment. Specifically, observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded and simple over-the-counter derivatives. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values.

Where valuation techniques are used to determine the fair values of financial instruments that are not quoted in an active market, they are validated against historical data and, where possible, against current or recent observed transactions in different instruments, and periodically reviewed by qualified personnel independent of the personnel that created them. All models are certified before they are used and models are calibrated to ensure that outputs reflect actual data and comparative market prices. Fair values' estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that market participants would take them into account in pricing the instrument. Fair values also reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty, where appropriate.

Valuation controls applied by the Group may include verification of observable pricing, re-performance of model valuations, review and approval process for new models and/or changes to models, calibration and back-testing against observable market transactions, where available, analysis of significant valuation movements, etc. Where third parties' valuations are used for fair value measurement, these are reviewed in order to ensure compliance with the requirements of IFRS 13.

The fair values of OTC derivative financial instruments are estimated by discounting expected cash flows using market interest rates at the measurement date. Counterparty credit risk adjustments and own credit risk adjustments are applied to OTC derivatives, where appropriate. Bilateral credit risk adjustments consider the expected cash flows between the Group and its counterparties under the relevant terms of the derivative instruments and the effect of the credit risk on the valuation of these cash flows. As appropriate in circumstances, the Group considers also the effect of any credit risk mitigating arrangements, including collateral agreements and master netting agreements on the calculation of credit risk valuation adjustments (CVAs). CVA calculation uses probabilities of default (PDs) based on observable market data such as credit default swaps (CDS) spreads, where appropriate, or based on internal rating models. The Group applies similar methodology for the calculation of debit-value-adjustments (DVAs), when applicable. Where valuation techniques are based on internal rating models and the relevant CVA is significant to the entire fair value measurement, such derivative instruments are categorized as Level 3 in the fair value hierarchy. A reasonably possible change in the main unobservable input (i.e. the recovery rate), used in their valuation, would not have a significant effect on their fair value measurement.

The Group determines fair values for debt securities held using quoted market prices in active markets for securities with similar credit risk, maturity and yield, quoted market prices in non active markets for identical or similar financial instruments, or using discounted cash flows method.

Unquoted equity instruments at FVTPL under IFRS 9 are estimated mainly (i) using third parties' valuation reports based on investees' net assets, where management does not perform any further significant adjustments, and (ii) net assets' valuations, adjusted where considered necessary.

Loans and advances to customers including securitized notes of loan portfolios originated by the Group with contractual cash flows that do not represent solely payments of principal and interest (SPPI failures), are measured mandatorily at fair value through profit or loss. Quoted market prices are not available as there are no active markets where these instruments are traded. Their fair values are estimated on an individual loan basis by discounting the future expected cash flows over the time period they are expected to be recovered, using an appropriate discount rate or by reference to other comparable assets of the same type that have been transacted during a recent time period. Expected cash flows, which incorporate credit risk, represent significant unobservable input in the valuation and as such, the entire fair value measurement is categorized as Level 3 in the fair value hierarchy.

Financial instruments not measured at fair value

The following tables present the carrying amounts and fair values of the Group’s financial assets and liabilities which are not carried at fair value on the balance sheet:

	30 June 2023	
	Carrying amount € million	**Fair value € million**
Loans and advances to customers	**40,511**	**40,716**
Investment securities at amortised cost	**9,989**	**9,228**
Financial assets not measured at fair value	**50,500**	**49,944**
Debt securities in issue	**4,099**	**4,013**
Financial liabilities not measured at fair value	**4,099**	**4,013**

	31 December 2022	
	Carrying amount € million	Fair value € million
Loans and advances to customers	41,661	41,767
Investment securities at amortised cost	9,192	8,155
Financial assets not measured at fair value	50,853	49,922
Debt securities in issue	3,552	3,399
Financial liabilities not measured at fair value	3,552	3,399

The assumptions and methodologies underlying the calculation of fair values of financial instruments not measured at fair value, are in line with those used to calculate the fair values for financial instruments measured at fair value. Particularly:

(a) Loans and advances to customers including securitized notes of loan portfolios originated by the Group: quoted market prices are not available as there are no active markets where these instruments are traded. The fair values are estimated by discounting future expected cash flows over the time period they are expected to be recovered, using appropriate risk-adjusted rates. Loans are grouped into homogenous assets with similar characteristics, as monitored by Management, such as product, borrower type and delinquency status, in order to improve the accuracy of the estimated valuation outputs. In estimating future cash flows, the Group makes assumptions on expected prepayments, product spreads and timing of collateral realization. The discount rates for loans to customers incorporate inputs for expected credit losses and interest rates, as appropriate;

(b) Investment securities measured at amortized cost: the fair values are determined using prices quoted in an active market when these are available. In other cases, fair values are determined using quoted market prices for securities with similar credit risk, maturity and yield, quoted market prices in non active markets for identical or similar financial instruments, or by using the discounted cash flows method. In addition, for certain high quality corporate bonds for which quoted prices are not available, fair value is determined using prices that are derived from reliable data management platforms while part of them is verified by market participants (e.g. brokers). In certain cases, prices are implied by liquidity agreements (e.g. repos, pledges) with other financial institutions; and

(c) Debt securities in issue: the fair values are determined using quoted market prices, if available. If quoted prices are not available, fair values are determined based on third party valuations, quotes for similar debt securities or by discounting the expected cash flows at a risk-adjusted rate, where the Group's own credit risk is determined using inputs indirectly observable, i.e. quoted prices of similar securities issued by the Group or other Greek issuers.

For other financial instruments, which are short term or re-price at frequent intervals (cash and balances with central banks, due from credit institutions, due to central banks, due to credit institutions and due to customers), the carrying amounts represent reasonable approximations of fair values.

28. Interest Rate Benchmark reform – IBOR reform

Towards the completion of its IBOR transition program, the Group has exposure mainly to loans to customers and derivatives referencing the remaining USD LIBOR tenors (overnight, 1-, 3-, 6-, 12-month) that ceased to be published on 30 June 2023.

Within 2023, the Group has performed all necessary amendments in its loan contracts, where required, to incorporate appropriate alternative benchmark rates, while the transition to the new alternative benchmark rates is effective on their first roll date after their cessation. In addition, derivative contracts referencing the abovementioned USD LIBOR tenors will automatically transition to the appropriate fallback rates on their first repricing date after 30 June 2023, as a result of the adherence to the ISDA protocol or following bilateral renegotiations with the counterparties.

Moreover, the Group is exposed to USD LIBOR within its hedge accounting relationships that mature after 30 June 2023. The Group considers that the existing hedge relationships will continue to qualify for hedge accounting.

29. Cash and cash equivalents and other information on interim cash flow statement

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturities of three months or less:

	30 June 2023 € million	31 December 2022 € million
Cash and balances with central banks (excluding mandatory and collateral deposits with central banks)	**11,648**	13,524
Due from credit institutions	**958**	404
Securities held for trading	**5**	16
Cash and cash equivalents presented within assets of disposal group classified as held for sale	**524**	444
Total	**13,136**	14,388

Other (income)/losses on investment securities presented in continuing operating activities are analyzed as follows:

	30 June 2023 € million	30 June 2022 € million
Amortisation of premiums/discounts and accrued interest	**44**	53
(Gains)/losses from investment securities	**(55)**	21
Total from continuing operations	**(12)**	74

In the period ended 30 June 2023, the carrying amount of the debt securities in issue decreased by € 11 million due to changes in accrued interest and amortisation of debt issuance costs (30 June 2022: decreased by € 1.3 million).

In the period ended 30 June 2023, other adjustments of € 124 million mainly include € 111 million gain on investment in Hellenic Bank accounted for as an associate, note 18 (30 June 2022: € 305 million mainly include € 325 million gain resulting from the sale of Eurobank's merchant acquiring business to WorldlineB.V. , note 13)

30. Contingent liabilities and commitments

The Group presents the credit related commitments it has undertaken within the context of its lending related activities into the following three categories: a) financial guarantee contracts, which refer to guarantees and standby letters of credit that carry the same credit risk as loans (credit substitutes), b) commitments to extend credit, which comprise firm commitments that are irrevocable over the life of the facility or revocable only in response to a material adverse effect and c) other credit related commitments, which refer to documentary and commercial letters and other guarantees of medium and low risk according to the Regulation No 575/2013/EU.

Credit related commitments are analyzed as follows:

	30 June 2023 € million	31 December 2022 € million
Financial guarantee contracts	**1,922**	1,767
Commitments to extend credit	**4,042**	3,778
Other credit related commitments	**1,213**	954
Total	**7,177**	6,499

Note: Credit related commitments of Eurobank Direktna a.d. disposal group amounting to € 255 million have been excluded from the table above (31 December 2022: € 259 million).

The credit related commitments within the scope of IFRS 9 impairment requirements of continuing operations amount to € 11.0 billion (31 December 2022: € 10.0 billion), including revocable loan commitments of € 3.8 billion (31 December 2022: € 3.5 billion), while the corresponding allowance for impairment losses amounts to € 57 million (31 December 2022: € 56 million). As at 30 June 2023, the credit related commitments within the scope of IFRS 9 impairment requirements of Eurobank Direktna disposal group amounted to € 467 million (31 December 2022: € 461 million), while the corresponding allowance for impairment losses amounts to € 1.5 million (2022: € 1.2 million).

In addition, the Group has issued a sovereign risk financial guarantee of € 0.23 billion (31 December 2022: € 0.23 billion) for which an equivalent amount has been deposited under the relevant pledge agreement (note 20).

Legal proceedings

As at 30 June 2023, the provisions for legal proceedings outstanding against the Group amounted to € 26 million (note 25) (31 December 2022: € 28 million).

In respect of any cases under investigation by state or regulatory authorities, it is noted that the Hellenic Competition Commission has been conducting for a period of time an investigation for certain legal entities of the financial sector, including the Bank, in relation to issues concerning concerted practices.

Furthermore, in the normal course of its business, the Group has been involved in a number of legal proceedings, which are either at still a premature or at an advanced trial instance. The final settlement of these cases may require the lapse of a certain time so that the litigants exhaust the legal remedies provided for by the law. Management, is closely monitoring the developments to the relevant cases and having considered the advice of the Legal Services General Division, does not expect that there will be an outflow of resources and therefore does not acknowledge the need for a provision.

31. Post balance sheet events

Details of post balance sheet events are provided in the following notes:

Note 2 - Basis of preparation and principal accounting policies
Note 4 - Capital management
Note 13 - Disposal groups classified as held for sale and discontinued operations
Note 17.1 - Shares in subsidiaries
Note 26 - Share capital, share premium and treasury shares
Note 32 - Related parties
Note 33 - Board of Directors

32. Related parties

Eurobank Ergasias Services and Holdings S.A. (the Company or 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 2023, 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, including the amendments under law 4941/2022, 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. Further information in respect of the HFSF rights based on the aforementioned framework is provided in the section "Report of the Directors and Corporate Governance Statement" of the Annual Financial Report for the year ended 31 December 2022.

In 2023, Eurobank Holdings announced its intention to submit an offer for the buyback of its 52,080,673 shares (corresponding to a participation of 1.4%), presently owned by the HFSF. Following the receipt of the required approval from the regulator in May 2023, the General Meeting of the Company's Shareholders, which was held on 20 July 2023, approved the buyback and authorized the Board of Directors to determine the specific conditions and details of the above transaction (note 26).

Fairfax Group, which holds 32.99% of Eurobank Holdings voting rights as of 30 June 2023 (31 December 2022: 32.99%), is considered to have significant influence over the Company.

In January 2022, an occupational insurance fund ("Institution for occupational retirement provision-occupational insurance fund Eurobank's Group personnel" henceforth "the Fund") was established as a not-for-profit legal entity under Law 4680/2020, for the benefit of the employees of the Company, the Bank and certain other Greek entities of the Group, which constitute the sponsoring employers of the Fund. Accordingly, in line with IAS 24 Related Parties, the Fund is considered to be related party to the Group.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arm's length basis. These include loans, deposits and guarantees. In addition, as part of its normal course of business in investment banking activities, the Group at times may hold positions in debt and equity instruments of related parties.

The outstanding balances of the transactions with (a) Fairfax group, (b) the key management personnel (KMP) and the entities controlled or jointly controlled by KMP and (c) other related parties, as well as the relating income and expenses are as follows:

	30 June 2023			31 December 2022		
	Fairfax Group[(2) (4)] € million	KMP and Entities controlled or jointly controlled by KMP[(1)] € million	Other Related Parties[(3)] € million	Fairfax Group[(2)] € million	KMP and Entities controlled or jointly controlled by KMP[(1)] € million	Other Related Parties[(3)] € million
Investment securities	-	-	60.29	-	-	-
Loans and advances to customers	101.19	5.52	15.22	73.45	5.69	0.14
Other assets	0.07	0.08	74.91	0.39	-	87.07
Due to customers	61.82	19.28	85.44	34.22	20.98	97.50
Debt securities in issue	82.45	2.02	101.36	81.98	1.27	102.47
Other liabilities	0.01	0.58	3.72	0.13	0.20	10.35
Guarantees issued	1.97	-	-	1.97	-	-
Guarantees received	-	-	-	-	0.01	-

	Six months ended 30 June 2023			Six months ended 30 June 2022		
Net interest income	(0.03)	(0.02)	0.93	(0.04)	-	(1.87)
Net banking fee and commission income	0.02	0.02	6.59	-	0.05	6.38
Gains less losses from investment securities	-	-	(1.61)	-	-	-
Impairment losses relating to loans and advances including relative fees	(0.82)	-	(35.54)	(0.13)	-	(29.91)
Other operating income/(expenses)	5.62	(6.76)	(5.86)	4.56	(7.77)	(4.21)

(1) Includes the key management personnel of the Group and their close family members.

(2) The balances with the Group's associate Eurolife FFH Insurance Group Holdings S.A., which is also a member of Fairfax Group, are presented in the column other related parties.

(3) Other related parties include associates (Hellenic Bank is included as of the second quarter of 2023, note 18), joint ventures and the Eurobank Group's personnel occupational insurance fund. In particular, as at 30 June 2023 the outstanding balances of transactions with the Fund refer mainly to deposits of € 1 million received from the Fund (31 December 2022: € 1 million).

(4) In January 2023, the Bank disposed of a 10.8% holding in Fairfax Group's subsidiary "Grivalia Hospitality S.A." to Eurolife FFH Insurance Group Holdings S.A for a cash consideration of € 48.3 million. Furthermore, in March 2023, the Bank participated in the share capital increase of "Grivalia Hospitality S.A." with an amount of € 8.6 million. As at30 June 2023, the Bank's retained holding in the entity was 9.1%.

For the period ended 30 June 2023, there were no material transactions with the HFSF.

For the period ended 30 June 2023, an impairment of € 0.03 million (30 June 2022: an impairment of € 0.9 million) has been recorded against loan balances with Group's associates and joint ventures, while the respective impairment allowance amounts to € 0.05 million (31 December 2022: € 0.02 million).

Key management compensation (directors and other key management personnel of the Group)

Key management personnel are entitled to compensation in the form of short-term employee benefits of € 3.78 million (30 June 2022: € 3.48 million) and long-term employee benefits of € 0.64 million (30 June 2022: € 0.58 million). Additionally, the Group has recognized € 1.29 million expense relating with equity settled share based payments (30 June 2022: € 0.35 million) (note 26). Furthermore, as at 30 June 2023, the defined benefit obligation for the KMP amounts to € 1.65 million (31 December 2022: € 1.58 million), while the respective cost for the period through the income statement amounts to € 0.07 million (30 June 2022: € 0.06 million).

33. Board of Directors

The Board of Directors (BoD) was elected by the Annual General Meeting (AGM) of the Shareholders held on 23 July 2021 for a three-year term of office that will expire on 23 July 2024, prolonged until the end of the period the AGM for the year 2024 will take place.

Further to that, the AGM of the Shareholders held on 20 July 2023 approved the appointment of Mr. Burkhard Eckes and Mr. John Arthur Hollows as new independent non-executive members of Eurobank Holdings BoD, whose term of office will expire concurrently with the term of office of the other members of the BoD. On the same day (20 July 2023), the BoD decided its constitution as a body, as follows:

G. Zanias	Chairman, Non-Executive Member
G. Chryssikos	Vice Chairman, Non-Executive Member
F. Karavias	Chief Executive Officer
S. Ioannou	Deputy Chief Executive Officer
K. Vassiliou	Deputy Chief Executive Officer
A. Athanasopoulos	Deputy Chief Executive Officer
B.P. Martin	Non-Executive Member
A. Gregoriadi	Non-Executive Independent Member
I. Rouvitha Panou	Non-Executive Independent Member
R. Kakar	Non-Executive Independent Member
J. Mirza	Non-Executive Independent Member
C. Basile	Non-Executive Independent Member
B. Eckes	Non-Executive Independent Member
J. A. Hollows	Non-Executive Independent Member
E. Deli	Non-Executive Member (HFSF representative under Law 3864/2010)

Athens, 4 August 2023

Georgios P. Zanias	**Fokion C. Karavias**	**Harris V. Kokologiannis**
I.D. No AI - 414343	I.D. No AI - 677962	I.D. No AN - 582334
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER OF GROUP FINANCE CHIEF FINANCIAL OFFICER

EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30 JUNE 2023

8 Othonos Str, Athens 105 57, Greece
eurobankholdings.gr, Tel.: (+30) 214 40 61000
General Commercial Registry No: 000223001000

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Notes to the Interim Financial Statements

Interim Balance Sheet

	Note	30 June 2023 € million	31 December 2022 € million
ASSETS			
Due from credit institutions		**55**	57
Investment securities	8	**1,260**	1,275
Shares in subsidiaries	9,13	**4,099**	4,097
Other assets	10	**2**	5
Total assets		**5,416**	5,434
LIABILITIES			
Debt securities in issue	11	**1,260**	1,275
Other liabilities	12	**1**	3
Total liabilities		**1,261**	1,278
EQUITY			
Share capital	13	**816**	816
Share premium	13	**1,161**	1,161
Special reserves		**1,004**	1,004
Other reserves		**1,178**	1,178
Retained earnings/(losses)	13	**(4)**	(3)
Total equity		**4,155**	4,156
Total equity and liabilities		**5,416**	5,434

Notes on pages 5 to 13 form an integral part of these interim financial statements.

Interim Statement of Comprehensive Income

	Note	Six months ended 30 June 2023 € million	2022 € million
Interest income		**46**	30
Interest expense		**(46)**	(30)
Net interest income/(expense)	4	**(0)**	(0)
Other income	5	**2**	2
Operating income		**2**	2
Operating expenses	6	**(6)**	(6)
Loss from operations before impairments		**(4)**	(4)
Impairment losses	8	**0**	(0)
Profit/(Loss) before tax		**(4)**	(4)
Income tax	7	**-**	(0)
Total comprehensive income		**(4)**	(4)

Notes on pages 5 to 13 form an integral part of these interim financial statements.

Interim Statement of Changes in Equity

	Share capital € million	Share premium € million	Reserves and Retained earnings € million	Total € million
Balance at 1 January 2022	816	8,056	(4,712)	4,160
Net profit/(loss)	-	-	(4)	(4)
Total comprehensive income for the six months ended 30 June 2022	-	-	(4)	(4)
Share options plan	-	-	1	1
	-	-	1	1
Balance at 30 June 2022 [1]	816	8,056	(4,716)	4,156
Balance at 1 January 2023	**816**	**1,161**	**2,179**	**4,156**
Net profit/(loss)	-	-	(4)	**(4)**
Total comprehensive income for the six months ended 30 June 2023	-	-	**(4)**	**(4)**
Share options plan (note 13)	-	-	2	**2**
	-	**-**	**2**	**2**
Balance at 30 June 2023 [1]	**816**	**1,161**	**2,178**	**4,155**
	Note 13	Note 13		

[1] *The changes in equity for the periods ended 30 June 2022 and 30 June 2023 do not sum to the totals provided due to rounding.*

Notes on pages 5 to 13 form an integral part of these interim financial statements.

Interim Cash Flow Statement

	Note	Six months ended 30 June 2023 € million	2022 € million
Cash flows from operating activities			
Profit/(loss) before income tax		**(4)**	(4)
Adjustments for :			
Impairment losses	8	**(0)**	0
Depreciation and amortisation		**0**	0
(Income)/losses on debt securities in issue	14	**(15)**	-
(Income)/losses relating to investing activities	14	**15**	-
Other adjustments		**0**	-
		(4)	(4)
Changes in operating assets and liabilities			
Net (increase)/decrease in other assets		**3**	3
Net increase/(decrease) in other liabilities		**(1)**	1
		2	4
Net cash from/(used in) operating activities		**(2)**	(0)
Cash flows from investing activities			
Acquisition of fixed and intangible assets		**-**	(0)
Net cash from/(used in) investing activities		**-**	(0)
Net increase/(decrease) in cash and cash equivalents		**(2)**	(0)
Cash and cash equivalents at beginning of period		**57**	62
Cash and cash equivalents at end of period	14	**55**	62

Notes on pages 5 to 13 form an integral part of these interim financial statements.

1. General information

Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings) is the parent company of Eurobank S.A. (the Bank) which along with its subsidiaries (Eurobank S.A. Group) comprise the major part of Eurobank Holdings Group (the Group) (note 9). The Company operates mainly in Greece and through the Bank's subsidiaries in Central and Southeastern Europe. Its main activities relate to the strategic planning of the administration of non-performing loans and the provision of services to its subsidiaries and third parties, while the Eurobank S.A. Group is active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Company is incorporated in Greece, with its registered office at Othonos Street, Athens 105 57 and its shares are listed on the Athens Stock Exchange.

These interim financial statements were approved by the Board of Directors on 4 August 2023. The Independent Auditor's Report on Review of Condensed Interim Financial Information is included in section B.I of the Financial Report for the period ended 30 June 2023.

2. Basis of preparation and principal accounting policies

These interim condensed financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as endorsed by the European Union (EU). The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements for the year ended 31 December 2022. Where necessary, comparative figures have been adjusted to conform to changes in the presentation in the current period. Unless indicated otherwise, 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.

The accounting policies and methods of computation in these interim financial statements are consistent with those in the financial statements for the year ended 31 December 2022, except as described below (note 2.1).

Going concern considerations

The Company's business strategy and activities are linked to those of its banking subsidiary Eurobank S.A. In this context, the directors monitor closely the capital and liquidity position of the Bank as well as the associated risks, uncertainties and the mitigating factors affecting its operations. The interim financial statements have been prepared on a going concern basis, as the Board of the Directors considered as appropriate, taking into consideration the following:

In the first months of 2023, economic activity in Greece and the other countries in which the Group has a substantial presence, remained in expansionary territory on an annual basis, with the inflation easing and the international economic environment stabilising. More specifically, in Greece, amid strong negative base effects and easing fuel prices, the annual inflation rate based on the Harmonized Index of Consumer Prices (HICP) receded to 2.8% in June 2023, from 4.1% in May 2023 and 11.6% in June 2022, according to the Hellenic Statistical Authority (ELSTAT). The seasonally adjusted unemployment rate decreased to 10.8% in May 2023 from 11.3% in April 2023 and 12.7% in May 2022. In its spring economic forecast (May 2023), the European Commission (EC) forecasts GDP growth rates of 2.4% in 2023 and 1.9% in 2024 (2022: 5.9%). The HICP growth rate is expected to decelerate to 4.2% in 2023 and 2.4% in 2024 (2022: 9.3%), and the unemployment rate to drop to 12.2% and 11.8% respectively (2022: 12.5%). On the fiscal front, the general government primary balance posted a surplus of 0.1% of GDP in 2022 and is expected to post surpluses of 1.9% and 2.5% of GDP in 2023 and 2024 respectively. The gross public debt-to-GDP ratio is expected to decline further to 160.2% and 154.4% in 2023 and 2024 respectively, from 171.3% in 2022.

According to the EC's spring economic forecasts (May 2023), the real GDP in Bulgaria is expected to grow by 1.5% in 2023 and 2.4% in 2024 (2022: 3.4%), while the HICP is expected at 9.4% in 2023 and 4.2% in 2024 (2022: 13%). Respectively, in Cyprus the real GDP growth is forecasted at 2.3% in 2023 and 2.7% in 2024 (2022: 5.6%), while the average annual inflation rate is estimated at 3.8% in 2023 and 2.5% in 2024 (2022: 8.1%).

Growth in Greece and in other countries of presence is expected to receive a significant boost from investment projects and reforms funded by the European Union (EU). Greece shall receive € 30.5 billion (€ 17.8 billion in grants and € 12.7 billion in loans) up to 2026 through the Recovery and Resilience Facility (RRF), Next Generation EU (NGEU)'s largest instrument, out of which € 11.1 billion (€ 5.7 billion in grants and € 5.4 billion in loans) has already been disbursed by the EU and has applied for an additional € 5 billion of RRF loans through the REPowerEU plan. A further € 40 billion is due through EU's long-term budget (MFF), out of which € 20.9 billion are to fund the new National Strategic Reference Frameworks (ESPA 2021–2027).

On the monetary policy front, the Governing Council of the European Central Bank (ECB), in line with its strong commitment to its price stability mandate, has proceeded with nine rounds of interest rate hikes in 2022, and in 2023 (the most recent one in July 2023), raising the three key ECB interest rates by 425 basis points in aggregate. Furthermore, although net bond purchases under the temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022, as scheduled, the ECB will continue to reinvest principal from maturing securities at least until the end of 2024, including purchases of Greek Government Bonds (GGBs) over and above rollovers of redemptions. This year, the Greek state, through the Public Debt Management Agency (PDMA), has issued eight bonds of various maturities (5-year, 10-year, 15-year and 20-year, including reopening of past issues), raising a total of € 10.65 billion from international financial markets. As of end March 2023, the cash reserves of the Greek State stood close to € 33 billion, and as of mid-July, its sovereign rating was one notch below investment grade by three of the four External Credit Assessment Institutions (ECAIs) accepted by the Eurosystem (S&P Ratings: BB+, positive outlook; Fitch Ratings: BB+, stable outlook; DBRS Morningstar: BB (high), stable outlook).

Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows: (a) the escalation of the ongoing Russia - Ukraine war and its ramifications on regional and global stability and security, as well as the European and Greek economy, (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 ongoing and potential upcoming central bank interest rate hikes worldwide, and in the euro area in particular, that may exert upwards pressures on sovereign and private borrowing costs, especially those of highly indebted borrowers, deter investments, increase volatility in the financial markets and lead economies to slow down or even a temporary recession, (d) the persistently large current account deficit and the prospect of it becoming once again a structural feature of the country's growth model, (e) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (f) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience, (g) the geopolitical developments in the near region and worldwide, and (h) 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, also mindful of the recent banking turmoil across some markets, 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 2023 - 2025.

In the first half of 2023, at the Group level, the net profit attributable to shareholders amounted to € 684 million (first half of 2022: € 941 million). The adjusted net profit, excluding the € 111 million gain arising from the acquisition of the 29.2% shareholding of Hellenic Bank, accounted for as an associate (note 18 of the interim consolidated financial statements of Eurobank Holdings), € 16 million net loss from discontinued operations (note 13 of the interim consolidated financial statements of Eurobank Holdings) and € 9 million restructuring costs (after tax) amounted to € 599 million (first half of 2022: € 755 million), of which € 205 million profit was related to the international operations (first half of 2022: € 97 million profit). The net loss for the company amounted to € 4 million (first half of 2022: € 4 million loss). As at 30 June 2023, the Group's Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios stood at 18.2% (31 December 2022: 19.2%) and 15.6% (31 December 2022: 16%) respectively and carried the effect of the ending of the 5-year transition period for the recognition of the IFRS 9 impact on the regulatory capital and the reversion to the standardized approach as of 1 March 2023. Pro-forma with the completion of project "Solar" and the sale of Eurobank Direktna a.d. disposal group, the total CAD and CET1 ratios would be 18.8% and 16.1% respectively (note 4 of the interim consolidated financial statements of Eurobank Holdings). The Group completed successfully the 2023 EU-wide stress test (ST), which was coordinated by the European Banking Authority (EBA) in cooperation with the European Central Bank (ECB) and the European Systemic Risk Board (ESRB). Under the severe assumptions of the adverse scenario, at the end of 2025 (third year of ST horizon) the Fully Loaded CET1 ratio with a capital depletion of 220 bps stands at 12.2% (note 4 of the interim consolidated financial statements of Eurobank Holdings).

With regards to asset quality, the Group's NPE formation was positive by € 140 million during the period (second quarter 2023: € 133 million positive, out of which € 119 million referring to a single corporate customer), (first half of 2022: € 10 million, negative excluding Serbia operations). In total, the Group's NPE stock slightly decreased to € 2.2 billion following the classification of

Eurobank Direktna a.d. disposal group as held for sale and other initiatives (31 December 2022: € 2.3 billion), with the NPE ratio remaining stable at 5.2% compared to 31 December 2022. The NPE coverage ratio stood at 73.2% (31 December 2022: 74.6%).

In terms of liquidity, as at 30 June 2023, following the classification of Eurobank Direktna a.d. disposal group as held for sale, the Group deposits stood at € 55.9 billion (31 December 2022: € 57.2 billion), leading the Group's (net) loans to deposits (L/D) ratio to 72.6% (31 December 2022: 73.1%), while the funding from the European Central Bank (ECB) refinancing operations amounted to € 7.4 billion (31 December 2022: € 8.8 billion) (note 21 of the interim consolidated financial statements of Eurobank Holdings). Furthermore, during the period, the Bank proceeded with the issuance of a preferred senior note of € 500 million (note 24 of the interim consolidated financial statements of Eurobank Holdings). As at 30 June 2023, the Bank's MREL ratio at consolidated level stands at 23.17% of RWAs, higher than the interim non-binding MREL targets of 20.53% and 22.93%, which are applicable from January 2023 and January 2024, respectively. The Group Liquidity Coverage ratio (LCR) has been maintained at high level reaching 174.2% (31 December 2022: 173%). In the context of the 2023 ILAAP (Internal Liquidity Adequacy Assessment Process), the liquidity stress tests results indicated that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios both in the short term (1 month horizon) and in the medium term (1 year horizon).

Going concern assessment

The Board of Directors, acknowledging the geopolitical, macroeconomic and financial risks to the economy and the banking system and taking into account the above factors relating to (a) the idiosyncratic growth opportunities in Greece and the region for this and the next years, also underpinned by the mobilisation of the already approved EU funding mainly through the RRF, and (b) the Group's pre-provision income generating capacity, asset quality, capital adequacy and liquidity position, has been satisfied that the financial statements of the Company can be prepared on a going concern basis.

2.1 New and amended standards and interpretations adopted by the Company

The following amendments to standards as issued by the International Accounting Standards Board (IASB) and endorsed by the EU that are relevant to the Company's activities apply from 1 January 2023:

IAS 8, Amendments, Definition of Accounting Estimates

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 how accounting policies and accounting estimates relate to each other by (i) explaining that accounting estimates are developed if the application of accounting policies requires items in the financial statements to be measured in a way that involves a measurement uncertainty and (ii) replacing the definition of a change in accounting estimates with the definition of accounting estimates, where accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". In addition, the amendments clarify that selecting an estimation or valuation technique and choosing the inputs to be used constitutes development of an accounting estimate and that the effects of a change in an input or technique used to develop an accounting estimate are changes in accounting estimates, if they do not result from the correction of prior period errors.

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

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

IASB issued amendments to IAS 1 "Presentation of Financial Statements" that require entities to disclose their material accounting policies rather than their significant accounting policies.

According to IASB, accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Furthermore, the amendments explain how an entity can identify material accounting policy information and provide examples of when accounting policy information is likely to be material. The amendments to IAS 1 also clarify that immaterial accounting policy information does not need be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support these amendments the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2 Making Materiality Judgements to accounting policy disclosures, in order to support the amendments to IAS 1.

The adoption of the amendments had no impact on the interim financial statements, but it may affect the level of information provided in the disclosure of the Company's accounting policies in the annual financial statements.

IAS 12, Amendments, Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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

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

3. Significant accounting estimates and judgments in applying accounting policies

In preparing these interim financial statements, the significant estimates, judgments and assumptions made by Management in applying the Company's accounting policies and the key sources of estimation uncertainty are the same as those applied in the financial statements for the year ended 31 December 2022.

Further information about the key assumptions and sources of estimation uncertainty are set out in notes 7, 8 and 11.

4. Net interest income

	30 June 2023 € million	30 June 2022 € million
Interest income		
Securities	**46**	30
	46	30
Interest expense		
Debt securities in issue	**(46)**	(30)
	(46)	(30)
Total	**(0)**	(0)

The interest expense relates to the subordinated Tier II instruments issued by the Company, while the interest income of a similar amount relates to the subordinated Tier II notes issued by Eurobank S.A. and held by the Company.

5. Other income

In the period ended 30 June 2023, other income, amounting to € 2 million (30 June 2022: € 2 million), consist of € 0.8 million income from IT services (30 June 2022: € 0.9 million) and € 0.7 million income regarding loan portfolio's related services provided to the Bank (30 June 2022: € 0.8 million).

6. Operating expenses

In the period ended 30 June 2023, the operating expenses of € 6 million (30 June 2022: 6 million) mainly consist of: (a) € 2.2 million staff cost (30 June 2022: € 2.1 million) and (b) € 3.3 million other administrative expenses (30 June 2022: € 3.2 million). Administrative expenses include € 2.2 million (30 June 2022: € 2.3 million) insurance premiums relating to the Group's financial lines insurance, including protection for professional liability.

7. Income tax

According to Law 4172/2013 currently in force, the Greek corporate tax rate for legal entities other than credit institutions (i.e. credit institutions that fall under the requirements of article 27A of Law 4172/2013 regarding eligible DTAs/deferred tax credits) is 22%. In addition, the withholding tax rate for dividends distributed, other than intragroup dividends, is 5%. In particular, the intragroup dividends under certain preconditions are relieved from both income and withholding tax.

Based on the management's assessment the Company is not expected to have sufficient future taxable profits against which the unused tax losses can be utilized and accordingly, in the period ended 30 June 2023, no deferred tax has been recognized in the statement of comprehensive income.

Tax certificate and open tax years

For fiscal years starting from 1 January 2016 onwards, pursuant to the Tax Procedure Code, an 'Annual Tax Certificate' on an optional basis, is provided for the Greek entities, with annual financial statements audited compulsorily, which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements. The Company has opted to obtain such certificate.

The Company's open tax years are 2017-2022. In the second quarter of 2023, the Company received a tax audit mandate by the tax authorities for the tax year 2019 and the relevant tax audit is in progress. The tax certificates, which have been obtained by the Company are unqualified for the open tax years until 2021, while for the year ended 31 December 2022, the tax audit from external auditor is in progress.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. five years as from the end of the fiscal year within which the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company.

In reference to its total uncertain tax positions, the Company assesses all relevant developments (e.g. legislative changes, case law, ad hoc tax/legal opinions, administrative practices) and raises adequate provisions.

8. Investment securities

As at 30 June 2023, the total carrying amount of the subordinated debt instruments, issued by the Bank, held by the Company and categorised as at amortised cost, amounted to € 1,260 million (31 December 2022: € 1,275 million), including accrued interest of € 17.2 million (31 December 2022: € 32.8 million), € 4.7 unamortized issuance costs (31 December 2022: € 5.2 million) and impairment allowance of € 2.4 million (31 December 2022: € 2.7 million) (12-month ECL). In particular, in the period ended 30 June 2023, the Company recognised in the statement of comprehensive income € 0.3 million gain, in relation to impairment allowance (30 June 2022: € 0.6 million loss). The fair value of the said debt instruments held by the Company was determined based on quotes for the related subordinated Tier II debt instruments issued by the Company (note 11) and amounted to € 1,186 million (31 December 2022: € 1,188 million).

In addition, in the second quarter of 2023, the Company acquired from third parties € 4.6 million debt securities, issued by the Bank, which were classified as financial assets measured at Fair Value through Other Comprehensive Income ('FVOCI'). The abovementioned debt securities were sold to the Bank at the end of June 2023, with an immaterial effect on the Company's operating income (note 16).

9. Shares in subsidiaries

The following is a listing of the Company's subsidiaries held directly as at 30 June 2023:

Name	Percentage holding	Country of incorporation	Line of business
Eurobank S.A.	100.00	Greece	Banking
Be Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services	98.01	Greece	Business-to-business e-commerce, accounting, tax and sundry services

10. Other assets

As at 30 June 2023, other assets amounting to € 2 million (31 December 2022: € 5 million) primarily consist of (a) € 0.1 million (31 December 2022: € 2 million) prepaid expenses mainly for insurance premiums, (b) € 0.5 million (31 December 2022: € 1.7 million) receivables for IT services provided to the Group companies and third parties, (c) € 0.3 million (31 December 2022: € 0.4 million) receivable regarding loan portfolio's related services provided to the Bank and (d) € 0.3 million in relation to property and equipment and intangible assets (31 December 2022: € 0.3 million).

11. Debt securities in issue

In November 2022, the Company announced that it had successfully completed the issuance of €300 million subordinated Tier II debt instruments. The said instruments, mature in December 2032, are callable in December 2027 offering a coupon of 10% per annum and are listed on the Luxembourg Stock Exchange's Euro MTF market. Their carrying amount, as at 30 June 2023, was € 312 million (31 December 2022: € 297 million), including € 4.9 million unamortized issuance costs (31 December 2022: € 5.2 million) and € 17 million accrued interest (31 December 2022: € 2.1 million). Their fair value, at the same date, which was determined by using quotes for identical financial instruments in non-active markets, amounted to € 331 million (31 December 2022: € 302 million).

In January 2018, Eurobank Ergasias S.A. issued subordinated Tier II debt instruments of face value of € 950 million, in replacement of the preference shares, which had been issued in the context of the first stream of Hellenic Republic's plan to support liquidity in the Greek economy under Law 3723/2008. The said instruments, mature in January 2028 and pay fixed nominal interest rate of 6.41%, that shall be payable semi-annually. Their carrying amount, as at 30 June 2023, was € 948 million (31 December 2022: € 978 million), including € 2 million unamortized issuance costs (31 December 2022: € 2.2 million) and € 0.2 million accrued interest (31 December 2022: € 30.6 million). Their fair value, at the same date, which was determined by using quotes for identical financial instruments in non-active markets, amounted to € 855 million (31 December 2022: € 886 million).

12. Other liabilities

As at 30 June 2023, other liabilities amounting to € 1 million (31 December 2022: € 3 million) primarily consist of (a) € 0.5 million (31 December 2022: € 0.8 million) accrued expenses, (b) € 0.6 million (31 December 2022: € 1 million) current payables to suppliers and (c) € 0.2 million (31 December 2022: € 0.2 million) Standard legal staff retirement indemnity obligations.

13. Share capital and share premium

As at 30 June 2023, the par value of the Company's shares is € 0.22 per share (2022: € 0.22). All shares are fully paid. Share capital, share premium and number of shares are as follows:

	Share capital € million	Share premium € million	Number of issued shares
Balance at 30 June 2023	**816**	**1,161**	**3,710,677,508**

Treasury shares

According to paragraph 1 of Article 16c of Law 3864/2010, during the period of the participation of the Hellenic Financial Stability Fund (HFSF) in the share capital of the Company, the Company is not permitted to purchase treasury shares without the approval of the HFSF.

Post balance sheet event

On 20 July 2023, the General Meeting of the Company's Shareholders approved the acquisition of 52,080,673 Company's shares in accordance with article 49 of Law 4548/2018, and in particular the acquisition of all of the Company's shares presently owned by the HFSF and authorized the Board of Directors (BoD) to determine the specific conditions and relevant details for the acquisition, taking into account the supervisory approvals (note 16). The duration for which the approval was granted was set at six months from the day of the General Meeting, while the maximum purchase price was set at € 1.90 per share and the minimum purchase price was set at € 1.10 per share. According to article 49 of Law 4548/2018, the maximum number of shares that the Company may acquire, added together with the shares belonging to the Company from time to time, cannot exceed 10% of its share capital.

Share options

Under the five-year shares award plan approved in 2020 and started in 2021, the executives and personnel of Eurobank Holdings and its affiliated companies are granted share options rights, which are exercised in portions annually during the term of the plan by issuing new shares with a corresponding share capital increase. Each portion may be exercised wholly or partly and converted into shares at the employees' option, provided that they remain employed by the Group until the first available exercise date. The maximum number of rights that can be approved was set at 55,637,000 rights, each of which would correspond to one new share and the exercise price of each new share would be equal to € 0.23.

The share options granted by the Company to executives of Group entities are treated as a contribution by the Company to the Bank, being their parent entity, thus increasing the investment cost of the Company in the latter. Accordingly, in the period ended 30 June 2023, the investment cost of the Company in the Bank increased by € 2.4 million, with a corresponding increase in the Company's equity.

The movement of share options during the period is analysed as follows:

Share options granted	2023
Balance at 1 January 2023	**22,268,322**
Options awarded during the period	-
Options cancelled during the period	(167,844)
Options exercised during the period	-
Balance at 30 June 2023	**22,100,478**

The share options outstanding at the end of the period have the following expiry dates:

Expiry date [1]	Share options 30 June 2023
2023	5,457,932
2024	7,074,513
2025	3,104,194
2026	2,595,139
2027	2,595,139
2028	1,273,561
Weighted average remaining contractual life of share options outstanding at the end of the period	21 months

[1] *Based on the earliest contractual exercise date.*

The terms of the share options granted to the employees of the Group, along with the valuation method and the inputs used to measure the share options, are presented in note 39 of the Group's consolidated financial statements for the year ended 31 December 2022.

14. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents with original maturities of three months or less, as at 30 June 2023, amount to € 55 million (31 December 2022: € 57 million):

For the period ended 30 June 2023, changes in debt securities in issue arising from accrued interest and amortization of debt issuance costs amount to € 15 million. In addition, changes in income/(losses) on investment securities arising from amortization of discounts and accrued interest amount to € 15 million.

15. Post balance sheet events

Details of post balance sheet events are provided in the following notes:

Note 2 - Basis of preparation and principal accounting policies
Note 13- Share capital and share premium
Note 16- Related parties
Note 17- Board of Directors

16. Related parties

Eurobank Ergasias Services and Holdings S.A. (the Company or 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 2023, 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, including the amendments under law 4941/2022, 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. Further information in respect of the HFSF rights based on the aforementioned framework is provided in the section "Report of the Directors and Corporate Governance Statement" of the Annual Financial Report for the year ended 31 December 2022.

In 2023, Eurobank Holdings announced its intention to submit an offer for the buyback of its 52,080,673 shares (corresponding to a participation of 1.4%), presently owned by the HFSF. Following the receipt of the required approval from the regulator in May 2023, the General Meeting of the Company's Shareholders, which was held on 20 July 2023, approved the buyback and authorized the Board of Directors to determine the specific conditions and details of the above transaction (note 13).

Fairfax Group, which holds 32.99% of Eurobank Holdings voting rights as of 30 June 2023 (31 December 2022: 32.99%), is considered to have significant influence over the Company.

In January 2022, an occupational insurance fund ("Institution for occupational retirement provision-occupational insurance fund Eurobank's Group personnel" henceforth "the Fund") was established as a not-for-profit legal entity under Law 4680/2020, for the benefit of the employees of the Company, the Bank and certain other Greek entities of the Group, which constitute the sponsoring employers of the Fund. Accordingly, in line with IAS 24 Related Parties, the Fund is considered to be related party to the Company. For the period ended 30 June 2023, the Company had no material related party transactions with the Fund (for the year ended 31 December 2022, the Company had no related party transactions with the Fund).

A number of transactions are entered into with related parties in the normal course of business and are conducted on an arm's length basis. The outstanding balances of the transactions with the Company's subsidiaries are as follows:

	30 June 2023	31 December 2022
	Subsidiaries [(1)]	Subsidiaries [(1)]
	€ million	€ million
Due from credit institutions	**55.27**	56.67
Investment securities	**1,260.01**	1,274.92
Other assets	**0.49**	1.87
Other liabilities	**0.60**	0.63
	Six months ended 30 June 2023	Six months ended 30 June 2022
Net interest income [(2)]	**45.90**	30.45
Other operating income/(expense)	**0.88**	1.03
Impairment losses	**0.30**	(0.56)

[(1)] The expenses in relation to KMP services provided by the Company's subsidiary Eurobank S.A. are included in Key management compensation disclosed below.
[(2)] For the period ended 30 June 2023, it includes interest income of € 0.06 million on investment securities issued by the Bank, which were purchased from third parties and sold to the Bank during the period (note 8).

As at 30 June 2023, the Company has no outstanding balances nor relating income/expenses associated with transactions with Fairfax Group (31 December 2022: € 0.35 million receivables and operating income related to financial consulting services). In addition, for the period ended 30 June 2023 the Company has recognized operating expenses of € 0.06 million (30 June 2022: € 0.07 million) related to the Group's associate Eurolife FFH Insurance Group Holdings S.A., which is also a member of Fairfax Group.

Key management compensation

In the period ended 30 June 2023, the Company recognized Key management compensation amounting to € 0.1 million that is referring mainly to KMP services provided by Eurobank S.A. in accordance with the relevant agreement (30 June 2022: € 0.1 million).

17. Board of Directors

The Board of Directors (BoD) was elected by the Annual General Meeting (AGM) of the Shareholders held on 23 July 2021 for a three -year term of office that will expire on 23 July 2024, prolonged until the end of the period the AGM for the year 2024 will take place.

Further to that, the AGM of the Shareholders held on 20 July 2023 approved the appointment of Mr. Burkhard Eckes and Mr. John Arthur Hollows as new independent non-executive members of Eurobank Holdings BoD, whose term of office will expire concurrently with the term of office of the other members of the BoD. On the same day (20 July 2023), the BoD decided its constitution as a body, as follows:

G. Zanias	Chairman, Non-Executive Member
G. Chryssikos	Vice Chairman, Non-Executive Member
F. Karavias	Chief Executive Officer
S. Ioannou	Deputy Chief Executive Officer
K. Vassiliou	Deputy Chief Executive Officer
A. Athanasopoulos	Deputy Chief Executive Officer
B.P. Martin	Non-Executive Member
A. Gregoriadi	Non-Executive Independent Member
I. Rouvitha Panou	Non-Executive Independent Member
R. Kakar	Non-Executive Independent Member
J. Mirza	Non-Executive Independent Member
C. Basile	Non-Executive Independent Member
B. Eckes	Non-Executive Independent Member
J. A. Hollows	Non-Executive Independent Member
E. Deli	Non-Executive Member (HFSF representative under Law 3864/2010)

Athens, 4 August 2023

Georgios P. Zanias	**Fokion C. Karavias**	**Harris V. Kokologiannis**
I.D. No AI - 414343	I.D. No AI - 677962	I.D. No AN - 582334
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER OF GROUP FINANCE CHIEF FINANCIAL OFFICER