

Thursday, March 2nd, 2023

ANNOUNCEMENT

Eurobank announces that it has reached an agreement for the sale of its subsidiary in Serbia, Eurobank Direktna, to AIK Banka Beograd

Eurobank S.A. (“**Eurobank**”), a subsidiary of Eurobank Ergasias Services and Holdings S.A. (“**Eurobank Holdings**”), announces that it has signed binding agreement (share purchase agreement) with AIK Banka a.d. Beograd (“**AIK**”) for the sale of Eurobank Direktna, Eurobank’s subsidiary in Serbia (the “**Transaction**”).

The Transaction values 100% of Eurobank Direktna at €280 million and 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, namely Greece, Bulgaria and Cyprus.

The Transaction is expected to contribute ca, 50 bps to Eurobank’s CET1 ratio (based on Q3’2022 ratio), reflecting the release of related RWAs. It is expected to be completed within year 2023, subject to customary regulatory and other approvals.

Eurobank Direktna is headquartered in Belgrade and operates through 4 primary segments: Retail Banking, Corporate Banking, Small Business Banking & Digital Banking, and holds a market share of 6% in terms of total assets. It currently employs c. 1,600 employees, operates 98 branches and has a balance sheet size of €2.4bn. Eurobank Direktna is owned by Eurobank Holdings (70%) and former Direktna Banka shareholders (30%).

AIK Banka is one of the most prominent financial institutions on the Serbian market, with 8.2% market share in assets, more than 40-year long tradition and high quality banking services to more than 740.000 satisfied clients, including corporate, SME and retail segment, via wide spread network of branch and strong digital presence. Following the global trends in banking, AIK Banka achieves growth in a sustainable manner, with a strong capital base continuously investing in innovative solutions tailored to customer needs.

UBS is acting as exclusive financial advisor to Eurobank. BNP Paribas provided the fairness opinion. Milbank LLP and Živković Samarđžić Law Office are acting as international and local legal counsels, respectively, on the Transaction for the seller.

Eurobank participates in the national mourning and expresses its deep grief and condolences to the families of the victims. The disclosure of the transaction and the publication of this announcement at this time is a regulatory requirement.

Important note: This release contains certain forward-looking statements. These forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to these uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this announcement. Eurobank disclaims any obligation to update any forward-looking statements contained in this announcement, except as required pursuant to applicable law.