

Thursday, November 2, 2023

ANNOUNCEMENT

Execution of a Binding Agreement with regard to the Solar Transaction

EUROBANK ERGASIAS SERVICES AND HOLDINGS S.A., ALPHA SERVICES AND HOLDINGS S.A., THE NATIONAL BANK OF GREECE S.A. and PIRAEUS FINANCIAL HOLDINGS S.A. announce the execution of a binding agreement between the four systemic banks, namely Eurobank S.A., Alpha Bank S.A., the National Bank of Greece S.A. and Piraeus Bank S.A. respectively (the “**Banks**”), and Waterwheel Capital Management, L.P., acting as investment manager on behalf of an affiliated entity managed by it (“**Waterwheel Capital**”) with respect to the sale to Waterwheel Capital of 95% of the Mezzanine notes and of 95% of the Junior notes to be issued in the context of the concurrent securitization by the Banks of a portfolio consisting primarily of Non-Performing Exposures with a total gross book value of approximately Euro 1.2 billion as of September 30, 2021 (the “**Solar Transaction**”). The Banks will hold 100% of the Senior notes as well as 5% of the Mezzanine and of the Junior notes.

The Solar Transaction is expected to be completed within the first quarter of 2024 and is subject to customary conditions for such transactions including, among others, the issuance of the Ministerial Decision on the provision of the guarantee under the “Hercules” Hellenic Asset Protection Scheme (HAPS) (Greek Law 4649/2019) regarding the senior notes and the issuance of the supervisory approval with regard to the Significant Risk Transfer (SRT) of the underlying loan portfolio by the Single Supervisory Mechanism (the “**SSM**”).

Upon completion of the Solar Transaction, the servicing company Cepal Hellas Financial Services Single Member S.A. – Servicing of Receivables from Loans and Credits, which has been licensed and is supervised by the Bank of Greece pursuant to Greek Law 4354/2015, will undertake the servicing of the portfolio.

The Solar Transaction is part of the Banks’ strategy to reduce their Non-Performing Exposures.

On behalf of the Banks, Alantra acts as financial advisor while Allen & Overy and Karatzas & Partners law firms act as external legal advisors under English and Greek law respectively.