**REPORT OF THE BOARD OF DIRECTORS of " ALPHA SERVICES AND HOLDINGS S.A."**

**in accordance with Article 9 of Law 4601/2019**

**on the merger by absorption of "ALPHA SERVICES AND HOLDINGS S.A." by "ALPHA BANK S.A."**

**pursuant to Article 16 of Law 2515/1997, as well as Articles 7 to 21 and 140 of Law 4601/2019, as applicable**

Dear Shareholders,

The Boards of Directors of the company named "ALPHA BANK S.A." (hereinafter the "**Absorbing Company**" or the "**Bank**") and the company named "ALPHA SERVICES AND HOLDINGS S.A." (hereinafter the "**Absorbed Company**" and, together with the Absorbing Company, the "**Merging Companies**") decided in their meetings on December 12, 2024, to initiate the merger process by absorption of the Absorbed Company by the Absorbing Company, pursuant to the provisions of Article 16 of Law 2515/1997, as well as Articles 7 - 21 and 140 of Law 4601/2019, as in force (hereinafter the "**Merger**"). The Management of each of the above entities announced their intention to proceed with the Merger on December 13, 2024.

For the purposes of the Merger, the Managements of the Merging Companies prepared the draft merger agreement dated 27th of February 2025 (hereinafter the "**DMA**" or the "**Draft Merger Agreement**"). For the purposes of the Merger, each of the Merging Companies prepared a transformation balance sheet with a reference date of 31 December 2024 hereinafter each of them referred to as "**Transformation Balance Sheet**"), which Transformation Balance Sheets are attached to the Draft Merger Agreement. In this context, the Absorbed Company will transfer to the Absorbing Company (through universal succession) all its assets and liabilities as they appear in the Transformation Balance Sheet.

The determination of the accounting value of the assets and liabilities of the Absorbed and Absorbing Companies, as well as the review of the Draft Merger Agreement and the provision of the opinion required by law, was assigned by the Managements of the Merging Companies and performed by the certified auditor mr. Anastasio Kiriakouli (Reg. No. SOEL 39291) of the auditing company named "KPMG Certified Auditors S.A." (Reg. No. SOEL 186) (hereinafter the "**Certified Auditor**"), who prepared for this purpose the report dated 27.2.2025, in accordance with paragraph 5 of Article 16 of Law 2515/1997 and Article 10 of Law 4601/2019 (hereinafter the "**Certified Auditor's Report**").

The Draft Merger Agreement will be published and submitted for approval to the general meeting of each of the Merging Companies, in accordance with Articles 8 and 14 of Law 4601/2019, respectively.

The decisions of the general meetings of the Merging Companies as well as the amendment of the Articles of Association of the Absorbing Company will be submitted to the formalities as provided by Law 4601/2019, Law 4548/2018, and Law 4919/2022.

As a result of the Merger (subject to the necessary supervisory approvals under the provisions of Law 4601/2019 and Article 16, paragraph 18 of Law 2515/1997), the Absorbed Company will be dissolved without liquidation and will cease to exist.

Following the above, the Board of Directors of the Absorbed Company prepared this detailed report, which explains and justifies the Draft Merger Agreement from an economic and legal perspective, in accordance with the provisions of Article 9 of Law 4601/2019.In particular:

**I. The Draft Merger Agreement from an economic perspective**

The Managements of the Merging Companies decided to proceed with the Merger process, taking into account their strategic goals and the prospects of this specific Merger, through which the Absorbing Company, as a unified entity licensed to provide banking services, will become the head of the group companies of the Absorbed Company (hereinafter the "**Alpha Group Companies**" or the "**Group**"), achieving:

1. The simplification of the corporate, organizational, and capital structure of the Group, aiming at the improvement and the rationalisation of the organisation of its operation,
2. Saving operational costs by achieving economies of scale on the operational and management expenses of the Merging Companies, and
3. The consolidation of the Merging Companies, which are supervised entities, into a single legal entity, resulting in the simplification and limitation of procedures and requirements for the fulfillment of the obligations arising from the applicable supervisory legislation.

The Merger of the Merging Companies will be effected by absorption of the Absorbed Company by the Absorbing Company in accordance with the provisions of Article 16 of Law 2515/1997, as well as Articles 7 - 21 and 140 of Law 4601/2019, as in force, with the consolidation of assets and liabilities. Under the current legal framework, the Merger of the two companies is carried out under favorable terms.

The Merger will not affect the consolidated financial figures of the Group, given that the Absorbed Company directly holds 100% of the Absorbing Company. Upon completion of the Merger, all special tax-free reserves from undistributed profits, other tax-free reserves, tax-free withholdings on profits, and all reserves in general on the tax basis of the Absorbed Company will be transferred and appear as such in corresponding special accounts of the Absorbing Company.

The common date of corporate transformation is set as the 31st of December 2024. All transactions conducted after the 31st of December 2024 are considered, from a tax perspective, to be conducted on behalf of the Bank, which is the surviving legal entity of the Merger, and the tax results of the Absorbed Company, arising from this date until the completion of the Merger, will be considered as results of the Bank as provided in paragraph 5 of Article 16 of Law 2515/1997, as in force, as well as the relevant amounts will be transferred from the books of the Absorbed Company to the books of the Bank with an aggregate entry following the registration of the approval decision of the competent authority in the General Commercial Registry (G.E.M.I.).

No special advantages are provided to the Statutory Auditor, the members of the Board of Directors of the Absorbed Company and Absorbing Company, and their internal auditors under the articles of association of the Merging Companies or the decisions of their general meetings of shareholders, nor are such advantages provided to them by this DMA.

Upon completion of the Merger, the share capital of the Bank will be formed as follows:

**1. Share capital of the Absorbed Company prior to the Merger**

a. Share capital on the date of the Transformation Balance Sheet: On 31.12.2024, i.e. the date of the Transformation Balance Sheet of the Absorbed Company, the share capital of the Absorbed Company amounted to EUR 682,363,415.26 in total and was divided into 2,352,977,294 common, registered, voting shares with a nominal value of EUR 0.29 each.

b. Subsequently, on 29.1.2025, the share capital of the Absorbed Company was increased, following a resolution of the board of directors of the Absorbed Company dated 29.1.2025 (and registration in the General Commercial Registry (G.E.MI.) of the announcement no. 3558034/10.2.2025 of the Minister of Development) through payment in cash of EUR 202,263.98 and with the issuance of 697,462 new common, registered, voting, dematerialised shares with a nominal value of EUR 0.29 each. The difference between the offer price and the nominal value of 481,626 shares, amounting to a total of Euro 4,816.26, was credited to the special account (share premium account) under the title "issuance of shares above par value".

c. Share capital on the date of this DMA: As a result of the above, today the share capital of the Absorbed Company amounts to EUR 682,565,679.24 in total, divided in 2,353,674,756 new common, registered, voting shares with a nominal value of EUR 0.29 each.

d. The Absorbed Company holds today 40,716,181 shares issued by the Absorbed Company (own shares), with a nominal value of Euros 0.29 which represent in *t*otal an amount of EUR 11,807,692.49 in the share capital of the Absorbed Company and have been acquired by the Absorbed Company under a Share Buy-Back Programme which was approved and amended by the resolutions of the general meeting of the shareholders of the Absorbed Company dated 27.7.2023 and 24.7.2024. The duration of the Program is 24 months from the following day of its approval. From the own shares currently held by the Absorbed Company: (i) The 2,165,461 will be distributed to members of management and employees prior the completion of the Merger, and (ii) The remaining 38,550,720 which represent the total amount of 11,179,708.80 Euros in the share capital of the Absorbed Company, will be canceled upon completion of the Merger as a result of the absorption of the Absorbed Company, that will cease to exist.

**2. Share Capital of the Absorbing Company prior to the Merger**

The share capital of the Absorbing Company amounted as of 31.12.2024, i.e. the Date of the Transformation Balance Sheet of the Absorbing Company, and continues to amount today to EUR 4,678,199,321.49, divided into 51,979,992,461 common registered voting shares with a nominal value of EUR 0.09 each.

3. **Share Capital of the Absorbing Company after the Merger**

a. Upon completion of the Merger: The share capital of the Absorbed Company shall be contributed to the Absorbing Company in accordance with par. 5 of article 16 of L.2515/1997. Pursuant to article 18 par. 5 point b) of L.4601/2019, where the Absorbed Company holds shares issued by the Absorbed Company (own shares), such shares shall not be exchanged with shares of the Absorbing Company and shall be cancelled due to the Merger, while the share capital of the Absorbing Company shall not increase (shall decrease) by a corresponding amount. Subsequently, due to the Merger, the share capital of the Absorbing Company shall increase by an amount of EUR 671,385,970.44 (682,565,679.24 – 11,179,708.80), divided in 2,315,124,036 common, registered, voting shares with a nominal value of EUR 0.29 each.

b. Furthermore, at completion of the Merger: The shares of the Absorbing Company, which currently belong in their entirety (100%) to the Absorbed Company, namely 51,979,992,461 common, registered, voting shares with a nominal value of EUR 0.09 each, representing the entire share capital of EUR 4,678,199,321.49 of the Absorbing Company, shall be transferred, as a result of the Merger and by way of universal succession, to the Absorbing Company itself and, therefore, become own shares of the Absorbing Company in accordance with article 49 par. 4 point (b) of L.4548/2018 and shall be simultaneously cancelled. Subsequently, at the time of the completion of the Merger, the share capital of the Absorbing Company shall be decreased by an amount of EUR 4,678,199,321.49 with cancellation of the total number of 51,979,992,461 own shares of the Absorbing Company with a nominal value of EUR 0.09 each.

c. Consequently, upon completion of the Merger, the share capital of the Absorbing Company will amount to EUR 671,385,970.44, divided into 2,315,124,036 common, registered, voting shares with a new nominal value of EUR 0.29 each.

The Board of Directors of the Absorbed Company declares that no special difficulties arose during the preparation of the Certified Auditor's Report within the framework of the Merger process.

In exchange for the contribution and transfer to the Absorbing Company of the entire property of the Absorbed Company, the shareholders of the Absorbed Company will receive the new shares to be issued by the Absorbing Company due to the Merger based on the following agreed exchange ratio: for every one (1) existing common registered voting dematerialized share with a nominal value of Euro 0.29 each issued by the Absorbed Company, its owner will receive one (1) new common registered voting dematerialized share of the Absorbing Company with a nominal value of Euro 0.29 in the share capital of the Absorbing Company, as it will be formed following the implementation of the Merger.

The terms of the Merger may only be considered as being fair and reasonable, as the sole shareholder of the Absorbing Company is the Absorbed Company, and due to the Merger, the shareholders of the Absorbed Company will become shareholders of the Absorbing Company and will collectively hold 100% of the shares of the Absorbing Company, and at the same time, each of them will maintain in the Absorbing Company after the completion of the Merger the exact same shareholding percentage previously held in the Absorbed Company.

To confirm the above, the Certified Auditor's Report, which examined this DMA, expresses an opinion on whether the exchange ratio is fair and reasonable as follows:

***«Statement on the Share Exchange Ratio***

*''The merger is carried out, based on Article 16 of Law 2515/1997, at book values. Furthermore, the Absorbed Alpha Services and Holdings Societe Anonyme is the sole shareholder of the Absorbing Alpha Bank Societe Anonyme ,and therefore the shareholders of the Absorbed Company indirectly hold 100% of the shares of the Absorbing Company. Following completion of the corporate transformation, the shareholders of the Absorbed Company will become direct shareholders of 100% of the Absorbing Company holding the exact same shareholding percentage previously held in the Absorbed Company. The proposed exchange ratio is the following: For any one existing common share with a nominal value of EURO 0.29 of the Absorbed Company, the owner thereof shall receive one new common share of the Absorbing Company, with a nominal value of EURO 0.29. It is thus concluded that the proposed exchange ratio is fair and reasonable since, following the merger the shareholders of the Absorbed Company will retain the same shareholding percentage in the Absorbing Company."».*

**II. The Draft Merger Agreement from a Legal Perspective**

From the date of registration in G.E.M.I. of the Merger act, which will be in the form of a notarial deed, the Merger is completed ("**Merger Completion Date**") and the following results occur ipso jure and simultaneously, both between the Absorbing and the Absorbed Company and with respect to third parties, as detailed in the Draft Merger Agreement:

1. The Absorbing Company is substituted by law, in accordance with the provisions of Article 16 of Law 2515/1997 and paragraph 2 of Article 18 of Law 4601/2019, as in force, as the universal successor in the entire property (assets and liabilities) of the Absorbed Company, as this property is stipulated in the Transformation Balance Sheet and is formed until the Merger Completion Date. The universal succession covers all rights, intangible assets, claims, litigations, and non-litigations, obligations, and generally all legal relationships of the Absorbed Company, including administrative licenses and approvals issued in favor of the Absorbed Company.

2. After completion of the Merger, the Absorbing Company will become the parent company of the Group companies of the Absorbed Company, maintaining direct and indirect participation in all the companies included in the consolidated financial statements of the Absorbed Company.

3. In the Absorbing Company is transferred, in accordance with paragraph 7 of Article 16 of Law 2515/1997, every other right, intangible asset, demand, claim, either judicial or non-judicial, legal relationship, administrative license, or other asset, equity or liability of the Absorbed Company, even if - due to inadvertent omission or error - it is not specifically mentioned or accurately described in the Draft Merger Agreement or the Transformation Balance Sheet or the final Merger act, which will be in the form of a notarial deed.

4. Transcription of titles of real estate properties and generally rights in rem which are transferred by the Absorbed Company in the name of the Absorbing Company shall be conducted in accordance with paragraphs 8 and 9 of Article 16 of Law 2515/1997, as in force.

5. Any pending litigation of the Absorbed Company shall be continued ipso jure, in accordance with the provisions of Article 16 of Law 2515/1997 and paragraph 3 of Article 18 of Law 4601/2019, as in force, and without furhter formalities by the Absorbing Company. Regarding any pending litigation of the Absorbed Company conducted abroad, the Absorbing Company will take all necessary actions and/or formalities provided or required by the relevant provisions of the applicable procedural law for the substitution of the Absorbed Company by the Absorbing Company and the continuation of the trial by the latter.

6. Rights, obligations, and generally legal relationships of the Absorbed Company, governed by foreign law, are transferred to the Absorbing Company automatically (ipso jure) pursuant to the provisions of Article 16 of Law 2515/1997 and Article 18 of Law 4601/2019, as in force, in accordance with the applicable Greek law (lex societatis).

7. If, foreign law either does not recognize the universal succession provided by Greek law regarding the transformations, which applies as *lex societatis*, or the relevant provisions of foreign law require the performance of further actions or formalities by the Absorbed or the Absorbing Company, as the case may be, the Absorbing Company will perform all necessary actions or formalities provided or required by the relevant provisions of foreign law in order to complete the substitution as above and to transfer - until the completion of the substitution - the economic benefits and costs or risks to the Absorbing Company.

8. The Absorbing Company will also acquire: (i) all obligations, rights, and legal relationships of the Absorbed Company related to its capacity as the issuer of a bond loan concerning the issuance of perpetual fixed-rate bonds (with interest rate reset) subject to the terms of temporary capital reduction as Additional Tier 1 Supervisory Capital Instruments (Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Notes) amounting to Euros 400,000,000, issued on February 8, 2023, (settlement date: 08/02/2023) (ii) all obligations, rights, and legal relationships of the Absorbed Company related to its capacity as the issuer of a bond loan concerning the issuance of perpetual fixed-rate bonds (with interest rate reset) subject to terms of temporary capital reduction as Additional Tier 1 Supervisory Capital Instruments (Fixed Rate Reset Additional Tier 1 Perpetual Contingent Temporary Write-Down Notes) amounting to Euros 300,000,000, issued on September 10, 2024 (settlement date: 10/09/2024), and (iii) all obligations, rights, and legal relationships of the Absorbed Company related to its capacity as the issuer of a bond loan concerning the issuance of fixed-rate bonds (with interest rate reset) as Tier 2 Supervisory Capital Instruments (Fixed Rate Reset Tier 2 Notes due 2034) amounting to Euros 500,000,000, issued on June 13, 2024 (settlement date: 13/06/2024), within the framework of the Medium-Term Note Issuance Program (Euro EMTN) of the Absorbed Company and the Absorbing Company amounting to Euros 15,000,000,000, and (iv) all obligations, rights, and legal relationships of the Absorbed Company related to its capacity as the issuer of a bond loan concerning the issuance of subordinated fixed-rate bonds (with interest rate reset) as Additional Tier 2 Supervisory Capital Instruments (Dated Subordinated Fixed Rate Reset Tier 2 Notes due 2031) amounting to Euros 500,000,000, which were issued on March 11, 2021 (settlement date: 11/03/2021).

9. The employees of the Absorbed Company will be transferred to the Absorbing Company according to the provisions of the Draft Merger Agreement, and the latter will automatically assume the position of the Absorbed as the employer. These employees will be informed in a timely and appropriate manner about the Merger as provided by the relevant legislation.

10. The shareholders of the Absorbed Company shall become shareholders of the Absorbing Company, by receiving the shares of the Absorbing Company that will be issued as a result of the Merger.

11. The Absorbed Company shall be dissolved without liquidation and shall cease to exist, its shares shall be then delisted from the Athens Stock Exchange.

12. The Bank retains its license to provide banking services.

The completion of the Merger is subject to obtaining all necessary supervisory and corporate approvals under applicable legislation.

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

Following the completion of the Merger, the Bank will proceed with all the necessary actions to make the electronic registrations of the dematerialized securities (as provided by the applicable legislation) of the Bank in the Dematerialized Securities System managed by the Hellenic Central Securities Depository and for the delivery of the Bank's shares to the shareholders of the Absorbed Company according to the above exchange ratio (one (1) share of the Absorbed Company for one (1) share of the Bank). The entitled shareholders will be informed in accordance with the applicable legislation.

For all the above reasons, the Board of Directors of the Absorbed Company considers that the Merger is fully justified from an economic and legal perspective and serves the corporate interest of the Absorbed Company. Therefore, it submits this report to the General Meeting of the shareholders of the Absorbed Company and recommends the adoption of a relevant decision for the approval of the Draft Merger Agreement prepared by the Board of Directors, this Report, and the proposed Merger in general.

Athens, 27th of February 2025
FOR THE BOARD OF DIRECTORS OF
" **ALPHA SERVICES AND HOLDINGS S.A**."

VASILIS G. KOSMAS
Chief Financial Officer

GEORGIOS D. VOURVACHAKIS
Director of Group M&A