



ANNOUNCEMENT

In response to recent digital media reports and following a query by the Hellenic Capital Market Commission (HCMC), Piraeus Financial Holdings S.A. would like to apprise the investment community of the following.

Piraeus Group remains fully committed to the execution of its previously communicated business and transformation plan. An important pillar of this plan is the strategy for acceleration of the non-performing exposures (NPE) reduction through a variety of transactions and solutions, closely linked to the achievement of solid profitability and de-risking of the Bank's balance sheet.

As already announced on 23 November 2020 at the presentation of the 9month 2020 results, the Bank's capital position and NPE de-risking efforts are expected to be enhanced by the end of 2021, through a combination of strategic initiatives, including capital enhancing actions of €1bn already at implementation stage (gains from sovereign bonds, sale of merchant acquiring business, synthetic securitizations, etc), as well as the successful completion of the €7bn NPE securitizations (projects Phoenix and Vega).

The Bank's key priority and objective remains the rapid reduction of non-performing exposures on its balance sheet, by leveraging both the current Hellenic Asset Protection Scheme (HAPS) and its anticipated extension, as well as any other tenable scheme that may be available in the future.

In this context, Piraeus Group is constantly exploring, analyzing and planning all available strategic options to enhance its capital position and has proceeded with all the necessary preparations in order to be able to benefit in a timely manner from any favorable opportunities, which may emerge in the markets. At the same time, the Group is working on a range of additional initiatives to maximize value in the interest of its shareholders, with the aim of fully de-risking its balance sheet. One of the options being assessed involves a share capital increase in the future, with the potential participation of the Hellenic Financial Stability Fund (HFSF), alongside private investors, if and when permitted by the applicable legislation and the HFSF decides upon its participation and its amount/size. However, until now, no corporate decision has been taken to implement any of the aforementioned potential options under assessment.

Piraeus Bank will inform the investment community as soon as any tangible and specific developments occur regarding its strategic initiatives, decisions or transactions which will have received the requisite approvals from the appropriate governance bodies, as prescribed in the applicable legislative and regulatory framework.

Piraeus Financial Holdings is closely cooperating with the Hellenic Financial Stability Fund, which, within the context of its institutional role and its legislated scope, maintains a continuous dialogue with the systemic banks in order to evaluate recommendations and options that serve to maintain the stability of the banking system in the public interest.

The release of the Group's Full Year 2020 results is scheduled for mid-March 2021 and will be accompanied by a detailed update on the development and the stage of implementation of the capital enhancement actions that were made public by the announcement of 23.11.2020.

Athens, 19 February 2021