



Nicosia, 12 April 2024

### **Update on the financial developments of Phoenix Vega Mezz Plc for the financial year 2023**

The Board of Directors of Phoenix Vega Mezz Plc (“Company”), on its meeting of 12 April 2024, approved the financial statements of the Company for the period 1 January 2023 to 31 December 2023.

The main activity of the Company is the holding and management of 65% of the Mezzanine Notes and 45% of the Junior Notes<sup>1</sup> of the Phoenix and Vega portfolios, which were contributed by Piraeus Financial Holdings SA to the Company («Notes»).

On 12 July 2023 following the decisions of the Annual General Meeting (AGM), the Company reduced its share capital by €18,005,288 by reducing the nominal value of each share from €0.0356 to €0.0212 each. As a result, the nominal value of the shares was reduced to €26,507,785, as the amount of €18,005,288 was returned in cash to the shareholders.

Following the above, the payment of capital return to the beneficiaries (€ 0.0144 per share) took place on Tuesday, 5 December 2023.

The Company’s key financial information for the financial year 2023, and respective comparatives, are presented below:

amounts in millions of euros	<b>31/12/23</b>	<b>31/12/22</b>
Operating Profit / (Loss)	<b>12.0</b>	5.0
Profit before tax / (Loss)	<b>12.3</b>	5.0
Net profit / (Loss) for the period	<b>11.2</b>	4.8

  

amounts in millions of euros	<b>31/12/23</b>	<b>31/12/22</b>
Investments at amortized cost	<b>6.4</b>	7.9
Investments at fair value through profit or loss	<b>26.5</b>	32.7
Cash at bank	<b>14.4</b>	13.2
Total assets	<b>47.7</b>	54.5

<sup>1</sup> The Phoenix and Vega Mezzanine and Junior Notes together refer to the Phoenix Portfolio, the Vega I Portfolio, the Vega II Portfolio, and the Vega III Portfolio, with gross book value totaling €6.7 billion, transferred by way of securitization in July 2020 by Piraeus Financial Holdings to the special purpose companies Phoenix NPL Finance DAC, Vega I NPL Finance DAC, Vega II NPL Finance DAC and Vega III NPL Finance DAC (the ‘Issuers’), respectively, based in Ireland. The portfolios mainly included claims on non-performing loans.

The fair value of the Notes as at 31 December 2023 and 31 December 2022 was estimated by an independent valuer, in accordance with generally accepted principles and appropriate methods followed internationally.

The main assets of the Company are the Notes. Therefore, its revenues shall derive from the collection of coupons from the Notes. This collection depends on the amount of the total revenues of the Issuers, which will be returned, among other things, to the Company, as a noteholder, according to the Priority of Payments Schedule (as described in the Management Report of the 2023 Financial Statements). For 2023, the Company has received €20 million of coupon payments in relation to the Notes it holds. Further, during February 2024, the Company received coupon payments of €4.5 million.

The Company's expenses during the same financial period relate to tax expense for 2023, operating and administrative expenses, such as insurance fees, auditors' fees, third party fees for the provision of legal, administrative and investor relations services.

Taking into account the coupons collected from the Notes, and the estimated future liabilities and expenses of the Company, the Board of Directors intends to propose to the upcoming AGM a cash distribution to the Company's shareholders. The intended distribution is expected to take place within the calendar year 2024, subject to AGM approvals and applicable regulatory and corporate requirements.

It is noted that the Company, as the holder of the Notes, cannot unilaterally influence the formulation or implementation of the Phoenix and Vega Portfolios' Business Plans, which are being executed by the servicer of the portfolios. Consequently, the Company cannot unilaterally affect its revenues.

The Company

Phoenix Vega Mezz PLC