

/// Piraeus Financial Holdings

Piraeus Bank to acquire Ethniki Insurance from CVC

Further to the announcement on 06 February 2025, Piraeus Financial Holdings S.A. informs the investment community that its subsidiary Piraeus Bank S.A. ("**Piraeus**") has entered into a Share Purchase Agreement (hereinafter "**SPA**") to acquire 90.01% stake in the parent company of **Ethniki Insurance** (the "**Transaction**") from CVC Capital Partners Fund VII.

As per the signed SPA, the consideration for the Transaction is €600mn in cash, on a 100% basis.

The Transaction is expected to further diversify the revenue sources of Piraeus, enhancing value creation for shareholders, while it will complement our product range, covering the whole spectrum of banking, protection and investment solutions.

The Transaction is accretive for Piraeus in Earnings per Share (EPS) by circa 5% and Return over average Tangible Book Value (RoatBV) by circa 1 percentage point and it elevates fee generation to international best-in-class levels, while retaining our competitive cost efficiency aspiration.

Based on the above, and including a 50% distribution payout out of 2025 results and onwards per annum, Piraeus' proforma total capital position is estimated at circa 18.5% for 2025, anticipated to reach circa 19.5% by 2027 and circa 20% by 2028. This impact translates into a capital ratio with a comfortable Pillar 2 Guidance buffer of circa 250bps in 2025, evolving to above 300bps by 2027 and close to 400bps by 2028. Throughout the period, Piraeus' CET1 ratio is expected to sustain a level of 13% and higher.

Piraeus intends to achieve a Financial Conglomerate (FICO) status and pursue the application of CRR article 49 (commonly referred to as *Danish Compromise*) in relation to the prudential treatment of its participation in the share capital of Ethniki Insurance, which, if attained, would expand further our CET1 ratio by circa 50bps.

Ethniki Insurance is a leading composite insurer in Greece, covering the whole spectrum of insurance products with a circa 14.5% market share (circa 17% in life / circa 11% in non-life) and more than €0.8bn Gross Written Premiums ("**GWP**"), as of 2024.

Ethniki Insurance has €4bn total assets and €0.4bn shareholders' equity, as of 2023. Ethniki Insurance reported a profit before tax adjusted for non-recurring items of approximately €100mn in 2023 (latest public data).

Ethniki Insurance's production network extends throughout Greece and consists of owned sales network offices and corporate network insurance agents, as well as collaborating insurance agencies and insurance brokers. The GWP generated by the aforementioned channels comprise the vast majority of the Ethniki Insurance total production, with the remaining coming from its bancassurance channel.

Piraeus financial guidance for the period until 2028, as communicated earlier this year to the market, is being upgraded, considering the anticipated impact of the Transaction, as per below:

	Pre Transaction			Post Transaction		
	2026est	2027est	2028est	2026est	2027est	2028est
RoaTBV (%)	~13%	~13.5%	~14%	~14%	~14.5%	~15%
EPS (€)	~0.8	~0.9	~1.1	~0.9	~1.0	~1.2
Net fees over net revenues (%)	~25%	~25%	~25%	~28%	~28%	~28%
Cost-to-core income (%)	~35%	~35%	<35%	~35%	~35%	<35%
Total capital <u>without</u> Danish compromise (%)	>20%	~20.5%	~21%	>18.5%	~19.5%	~20%
Buffer over P2G (bps)	~415	~440	~485	~265	~320	~390

Note: Piraeus *Pre Transaction* data are as per 24 February 2025 guidance communicated to the market; *Post Transaction* illustration is proforma including Ethniki Insurance management business plan forecasts (no synergies incorporated); P2G for 2026-2028 at 16.20% from 15.97% in 2025 (phasing of O-SII buffer)

The Transaction is subject to the approvals of the competent regulatory bodies.

Piraeus is being advised on the Transaction by UBS Europe SE as exclusive financial advisor, Milliman as actuarial advisor, and by Milbank LLP, as well as Moratis Passas Law Firm and Potamitis Vekris Lawfirm, as international, local legal and competition counsels, respectively.

Athens, 12 March 2025

Disclaimer

Forward looking statements

This release contains forward-looking statements, including, without limitation, statements regarding the potential benefits of the contemplated transaction, expected synergies and the anticipated capital impact. These forward-looking statements are based on the current expectations of Piraeus and are subject to various risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Factors that could cause or contribute to such differences include, but are not limited to, the granting of regulatory approvals, to unforeseen operational challenges or changes in market conditions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release, without any obligation by Piraeus to update regarding any future developments. This announcement does not constitute an offer to buy or the solicitation of an offer to sell any securities.