Piraeus Financial Holdings

Six-month Financial Report

30 June 2024

The information contained in this six-month Financial Report has been translated from the original six-month Financial Report that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language, the Greek language will prevail over this document.

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CERTIFICATION PURSUANT TO ARTICLE 5 PAR. 2 OF GREEK LAW 3556/2007, AS IN FORCE

To the best of our knowledge, the Condensed Interim Financial Statements for the six-month period ended 30 June 2024, that have been prepared in accordance with the applicable accounting standards give a true and fair view of the assets, liabilities, equity and income statement of Piraeus Financial Holdings S.A. and the group of companies included in the consolidated financial statements, taken as a whole. In addition, the Board of Directors Report for the six-month period ended 30 June 2024 gives a true and fair view of the information required under Article 5, par. 6 of Greek Law 3556/2007, as currently in force.

Athens, 30 July 2024

Non-Executive Chairman of BoD	Managing Director (CEO) Executive BoD Member	Non-Executive BoD Member
George P. Handjinicolaou	Christos I. Megalou	Solomon A. Berahas

Board of Directors' Semi-Annual Report

International Economic Environment in the first half of 2024

During the first half of 2024, global economic activity continued to operate under great uncertainty and challenges due to the continuation of the war in Ukraine for a third consecutive year, the constant clashes in the Middle East, and the rise in geostrategic trade tensions between the US and China. However, the following contribute to an improvement of global economic activity: the de-escalation of inflation towards the 2% target as set by most Central Banks, the relatively low unemployment rates, the expected start of monetary easing from nearly all Central Banks by year end, and the smoothing out of the supply chain issues. Consequently, in 2024 global growth is expected to be slightly higher than previously anticipated by various economic organizations. According to the International Monetary Fund ("IMF"), global growth rate in 2024 is forecasted to remain almost stable at 3.2%. At the same time, the de-escalation of inflation is set to continue, although, at a slower rate than before.

In the Eurozone ("EZ"), the growth rate in Q1 2024 was 0.3% quarter-on-quarter ("QoQ"), positively exceeding forecasts (Q4 2023: -0.1%). This positive change in growth mainly stemed from an increase in exports, meanwhile the historically low unemployment rate continues to positively foster growth in the EZ. On the other hand, gross investments in fixed assets continued to negatively impact growth. The most recent economic data along with various leading indicators point to a slow but growing economy. Based on the IMF's estimates, the EZ economy is expected to grow 0.9% and inflation to fall to 2.4% (2023: 0.5% and 5.4% respectively). However, in the medium-term, the excessive deficits of seven EZ economies, including France and Italy, are expected to act restrictively.

During its June meeting, the European Central Bank ("ECB") decided to lower its three key interest rates by 25 basis points ("bps"). Until the end of the year, one to two more interest rate cuts are expected. Furthermore, the ECB continues the gradual reduction of its balance sheet. As of July, it will reinvest part of the securities it acquired under the Pandemic Emergency Purchase Program ("PEPP") and intends to fully discontinue reinvestments at the end of the year.

In Q1 2024, real Gross Domestic Product ("GDP") in the US rose by 1.4% seasonaly adjusted annual rate ("SAAR"), however, this increase in economic activity was lower than anticipated. Overall, the US economy remains quite healthy; eventhough some leading indicators point to a deceleration of economic activity and less favorable labor market conditions. In 2024 the IMF estimates US growth rate to be 2.6% and inflation to moderate to 2.9%. During the first half of 2024 the Federal Reserve Bank ("Fed") kept its monetary policy unchanged, arguing that there is insufficient evidence for a sustained easing of inflation towards the 2% target. However, during the second half of 2024 its members expect one 25 bps cut; whereas according to market estimates it is more likely that another interest rate cut (of the same magnitiude) will happen during the second half of 2024. At the same time, the Fed continues to gradually limit the size of its balance sheet.

In China, real GDP growth rate in Q2 2024 was 4.7% year-on-year ("YoY"), partly due to base effects. However, most recent data and leading indicators have been deemed restrictive. Still, the recently announced measures, which mainly concern the real estate sector, and which will also lead to a further relaxation of monetary policy, are expected to have a positive effect. As a consenquence, the IMF's forecast for 2024 growth is 5.04.% and 1.0% for inflation.

	Real GDP (% Annual rate of change)			Inflation (% Annual rate of change)		
	2023	2024*	2025*	2023	2024*	2025*
World Economy	3.3	3.2	3.3	6.7	5.9	4.4
USA	2.5	2.6	1.9	4.1	2.9	2.0
Eurozone	0.5	0.9	1.5	5.4	2.4	2.1
China	5.2	5.0	4.5	0.2	1.0	2.0

*Estimate
Sources: IMF (2024): "World Economic Outlook", April, p. 10, 35–7 & "World Economic Outlook Outlook Update", July, p. 5.

Developments in the Greek Economy in the first half of 2024

In 2024, the Greek economy remained on a growth trajectory despite the uncertainty that prevailed in the international environment and the macroeconomic impact of monetary policy in the EZ. In the first quarter of 2024, real GDP increased by 2.1%, on an annual basis, a rate that remains significantly higher than the EZ average (0.4%). Private consumption and investment contributed positively to GDP growth.

According to the available data* for the first half of 2024, the short-term indicators of economic activity and expectations indicate that the Greek economy will maintain its growth momentum. The economic climate index in the first half of 2024 stood at 108.5 points, recording an increase of 1.0% compared to the corresponding period of 2023. During the same period, inflation was limited to 2.8% from 4.2% in the corresponding period of 2023. In the period between January 2024 and May 2024 the unemployment rate on seasonally adjusted data was 11.0%, while employment increased by 1.9% on an annual basis. Also, the State Budget balance, on a modified cash basis, for the period between January 2024 and June 2024 presented a deficit of € 2.26 billion, against a deficit of € 2.46 billion for the same period of 2023. The primary surplus widened to € 2.91 billion, against a surplus of € 2.12 billion for the same period in 2023. In the period from January 2024 to May 2024, the current account deficit rose by € 1.7 billion year-on-year and stood at €9.1 billion, due to a deterioration in the balance of goods and, to a lesser extent, the primary income account, which was partly offset by an improvement mainly in the secondary income account and in the balance of services.

According to the forecasts of the European Commission ("EC"), economic activity in Greece is expected to increase by 2.2% in 2024 and 2.3% in 2025, continuing to outperform the EZ average, supported by private consumption, exports and the strengthening of investments due to the gradual relaxation of monetary policy and significant European Union ("EU") funding.

***Sources:** European Commission; ELSTAT; Bank of Greece; Eurostat; Ministry of Economy and Finance; Greek National & Resilience Plan (https://greece20.gov.gr); Ministry of Development; Ministry of Rural Development & Food

	EC		
	2023	**2024**	**2025**
Real GDP growth rate (%)	2.0	2.2	2.3
Inflation (HICP %)	4.2	2.8	2.1
Unemployment rate (% of labor force)	11.1	10.3	9.7
General Government Balance (% of GDP)	-1.6	-1.2	-0.8
General Government Primary Balance (% of GDP)	1.9	2.3	2.4
General Government Gross Debt (% of GDP)	161.9	153.9	149.3

Source: EC Spring 2024 Economic Forecast

The growth potentials of the Greek economy depend on the utilization of European funds for the implementation of investment plans and the stimulation of entrepreneurship. The Recovery and Resilience Facility ("RRF"), both in terms of grants and private sector investment through the loan facility, is a key player in the perspective of sustainable development. In this context, the RRF is estimated to contribute decisively to output growth in 2024 and 2025, through investments and reforms to expand productive capacity, strengthen competitiveness and extroversion, address the need for technology adaptation and enhance employment and social cohesion, resulting in higher potential growth. According to the Stability Program 2024 which was submitted on 30 April 2024 to the EC, the investment-to-GDP ratio is set to increase to 17% in 2025 from 14% in 2023, narrowing the distance from the EU and EZ averages (22% in 2023).

On 8 December 2023, the Economic and Financial Affairs Council approved the amended Recovery and Resilience Plan ("RRP") of Greece. The revised plan amounts to € 35.9 billion, with € 18.2 billion in RRF grants and € 17.7 billion in RRF loans. On July 23, 2024, the Commission disbursed to Greece the fourth payment for € 2.3 billion in loans (net of pre-financing) under the RRF. The EC, within the context of the RRF, has disbursed € 17.2 billion to Greece until July 2024, out of which € 9.62 billion in loans. This corresponds to 47% of all the funds in the Greek plan, with 22% of all the milestones and targets in the plan fulfilled. Overall, it is estimated that until 2027 the country's funding from EU programs [RRF, National Strategic Reference Framework ("NSRF"), Common Agricultural Policy ("CAP") and other European programs] will exceed € 78 billion.

In the medium term, the Greek economy should strengthen its resilience, despite the challenges and the unstable global environment, based on a reliable fiscal policy, reform orientation, productive investments and extroversion. Increasing investment, implementing the RRF plan and maintaining the momentum of reforms can ensure sustainable growth in the long term.

However, there are risk factors that could negatively affect developments in the Greek economy and its prospects. Any worsening of the geopolitical crisis in Ukraine and the Middle East increases the risk of energy supply disruptions with a possible impact on energy prices and the overall price level. Slow growth in Europe also poses risks to the country's export performance and the continued recovery of tourism services. Additional risks for the prospects of the Greek economy are the maintenance of the tighter monetary policy that can burden economic activity and weaken the stimulation of investments, as well as delays in the implementation of public and private projects and in meeting the RRF schedule. Finally, environmental challenges and extreme weather events are a growing risk to the economy. These risks could affect the Greek banking system and Piraeus Group[1] in particular. Higher energy prices may cause inflation, which reduces consumer spending and corporate earnings making it harder for some people and businesses to repay their loans and resulting in lower asset quality and more Non-Performing Exposure ("NPE") inflows. Weaker economic activity and possible hold-ups in the RRF funds distribution could affect credit growth and Piraeus Group's revenue sources reducing profitability and capital creation. Lastly, extreme weather events such as the fires and floods that occurred in 2023 in Greece could damage the repayment capacity of the affected borrowers and the value of collaterals in those areas.

Developments in the Greek banking system in the first half of 2024

The Greek banking system, in the first half of 2024, continued to benefit from the favorable interest rate environment, due to the ECB Governing Council's decisions since July's 2022 meeting to raise interest rates cumulatively by 425 bps in total. Although ECB Governing Council decided to cut rates by 25 bps in June's 2024 meeting, the interest rates' level remains high.

Deposit growth decelerated in the first half 2024 compared to 2023 but remained in positive territory YoY. In May 2024, private sector deposits reached € 190.9 billion, up by 2.5% YoY.

Following the ECB's decision at its 27 October 2022 meeting, to recalibrate the Targeted Longer Term Refinancing Operations ("TLTRO") III terms with effect from 23 November 2022 and until the maturity date or early repayment date of each respective outstanding TLTRO III operation, Greek banks have repaid a significant part of the TLTRO III funding, and as at 31 May 2024, total ECB funding to the Greek banking system had been reduced to € 10.5 billion compared to € 20.3 billion at the end of June 2023.

Loans to the domestic private sector were affected by seasonality and high prepayments in the first half of 2024, following the deployment of RRF programs that supported Q4 2023. In May 2024, loans to the domestic private sector increased by 4.8% YoY to € 116.5 billion.

Going forward, credit expansion is expected to be positively affected by solid and stable economic growth, which is expected to continue exceeding the EU average, a healthy Loan to Deposit ("LDR") ratio of the Greek banking system at below 70% in May 2024, while further support will come from the funds of the Next Generation EU, the 2021-2026 EU sponsored funding package which targets to alleviate the impact of the Covid-19 pandemic. The Greek banking system is expected to leverage the EU funds in order to support the Greek economy and lay the ground for sustainable growth rates in the next years. Six (6) domestic banking institutions have signed agreements with the Ministry of Finance for the utilization of loans from the RRF. Until mid 2024, 330 projects have been contracted, amounting to a total capital expenditure ("CapEx") of more than € 12 billion, of which 166 projects related to small and medium enterprises ("SMEs").

During the first seven (7) months of 2024, the four (4) systemic Greek banks proceeded with the issuance of Senior Preferred Bonds of a total amount of € 2.9 billion, as part of their strategy to further increase their Minimum Requirements for own funds and Eligible Liabilities ("MREL").

As at 31 March 2024, the NPE balance of the Greek banking system stood at € 11 billion[2] with the NPE ratio standing at 7.5%, compared to 8.8% a year ago. The main driver of NPE ratio decline has been the Hellenic Asset Protection Scheme ("HAPS"),

1 Piraeus Bank and its subsidiaries

2 https://www.bankofgreece.gr/en/statistics/evolution-of-loans-and-non-performing-loans

also called "Hercules" plan, which has been instrumental in assisting banks to reduce their NPEs, through securitizations, of which the senior tranches bear Government's guarantee.

Significant developments that are expected to play key role in the Greek banks' priorities during 2024 are:

- The deployment of the RRF funds for the financing of Greek businesses that is expected to mobilize a total of € 60 billion of investments in the country over the next three (3) years;
- Further ECB rate cuts that are expected to take place within this year. Following several consecutive raises since July 2022, the ECB's Governing Council cut interest rates by 25bps at its June 2024 meeting. Although rates remained unchanged at the last meeting in July 2024, consensus expects the ECB to gradually proceed with additional cuts in 2024 and accelerate the pace of cuts in 2025;
- The TLTRO III funding expiration, as the outstanding amounts are maturing in 2024. Currently, Greek banks have sufficient excess liquidity to repay TLTRO III balances, thus reducing total ECB funding significantly;
- The establishment of the intermediate and final binding MREL targets by the Single Resolution Board ("SRB"), which came into force on 1 January 2022 and aim to ensure that banks are provided with sufficient own funds and eligible liabilities to guarantee their capacity to absorb losses in adverse scenarios, thus ensuring the continuity of their activity. For Greek banks, MREL targets have been set according to a transition period, i.e., setting the final binding target by 31 December 2025.

Piraeus Financial Holdings Group Developments

The most important developments for Piraeus Financial Holdings Group (hereinafter the "Group") during 2024 and up to the authorization date for issuance of the condensed interim financial statements by the Board of Directors ("BoD") for the six-month period ended 30 June 2024, were the following:

Rating Upgrades

On 8 July 2024, Moody's upgraded Piraeus Financial Holdings' subsidiary, Piraeus Bank (the "Bank"), long-term issuer credit rating to "Baa3" from "Ba1" and Senior Preferred debt rating to "Baa3" from "Ba2", both with a positive outlook. As at the same date, Moody's rated the Piraeus Financial Holdings (hereianafter the "Company") "Ba2" with a positive outlook.

On 4 July 2024, S&P Global Ratings raised the Bank's long-term issuer credit rating to "BB" from "BB-" with a positive outlook. As regards the Company, its long-term issuer credit rating was upgraded to "B+", with a positive outlook.

On 14 December 2023, Fitch Ratings upgraded the Bank's long-term issuer credit rating to "BB-" from "B" with a positive outlook. On 8 January 2024, Fitch Ratings rated the Company's long-term issuer rating to "BB-" with a positive outlook.

On 6 December 2023, DBRS Morningstar upgraded the Bank's long-term issuer rating to "BB" from "B". Concurrently, DBRS Morningstar upgraded the Bank's Long-Term Deposit Rating to "BB" from "B". The trend on all ratings is stable.

Funding and liquidity

The Company successfully priced a Subordinated Tier 2 Bond amounting to € 500 million

On 10 January 2024, the Company announced that it successfully completed the pricing of a new € 500 million Subordinated Tier 2 Bond with a coupon of 7.250%, attracting the interest of a large number of institutional investors. The bond has a maturity of 10.25 years and an embedded issuer call option between year 5 and 5.25, with settlement taking place on 17 January 2024. The bond was listed on the Luxembourg Stock Exchange's Euro MTF market. In conjunction with the new issuance, the Company announced a cash tender offer on its 9.750% Non-Call June 2024 Subordinated Tier 2 notes. In aggregate, the principal amount of the notes that were validly tendered pursuant to the offer stood at € 294 million. The funds raised through the new issue have been used by the Company for financing the tender offer and for solidifying its capital position.

The Bank successfully priced a Senior Preferred Bond amounting to € 500 million

On 10 April 2024, the Company announced that the Bank successfully completed the pricing of a new € 500 million Senior Preferred Bond at a coupon of 5.00%, attracting the interest of a large number of institutional investors. The bond has a maturity of six (6) years and an embedded issuer call option after five (5) years. Settlement took place on 16 April 2024 and the notes were listed on the Luxembourg Stock Exchange's Euro MTF market. The issuance supports the achievement of the final target for MREL.

The Bank successfully priced a Green Senior Preferred Bond amounting to € 650 million

On 11 July 2024, the Company announced that the Bank successfully completed the pricing of a new € 650 million Green Senior Preferred Bond at a coupon of 4.625%, attracting the interest of a large number of institutional investors. The bond has been assigned an investment grade rating of "Baa3" from Moody's. The Bond has a maturity of five (5) years and an embedded issuer call option after four (4) years. Settlement took place on 17 July 2024 and the notes were listed on the Luxembourg Stock Exchange's Euro MTF market. The proceeds of the issuance will be directed in financing eligible green assets originated by the Bank that will contribute to achieving carbon neutrality by 2050 and are expected to provide positive environmental impact.

Placement of 27% stake in the Company by the Hellenic Financial Stability Fund ("HFSF")

On 11 March 2024, the disposal by the HFSF of a 27% participation in the share capital of the Company was completed. The offer price of the offered shares was set at € 4.00 per offer share. 20% of the totality of the offered shares were allocated to Greek institutional and retail investors and 80% of the totality of the offered shares were allocated to international institutional investors. The strong international and domestic investment interest with offers reaching € 11 billion, is a testament of the confidence of the investment community in the Bank's strong prospects.

Balance sheet clean-up

Completion of Project Delta

On 2 May 2024, the Company announced that the Bank had completed the sale of the total participation to a primarily NPE portfolio, "Project Delta", amounting to € 0.4 billion total legal claim with € 0.16 billion gross book value to APS Group. The

European Bank of Reconstruction and Development ("EBRD") acquired 30% share of the participation, while the remaining was acquired by APS funds and managed accounts. The agreed total consideration reached approximately 34% of the portfolio's gross book value. The transaction was completed after receiving all the required approvals. The portfolio had already been classified as Held for Sale ("HFS") as at 30 June 2023. The transaction was P&L neutral, and had a minor positive impact (+1bp) to the Group's Total Capital Ratio ("TCR") as at 30 March 2024, from the Risk Weighted Assets ("RWA") relief associated with the Delta portfolio.

Solar – HAPS NPE Securitization

In November 2023, the Bank together with the other three systemic banks (together "the Banks") announced the execution of a binding agreement between the four systemic 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 Solar portfolio, with a total gross book value of approximately € 1.2 billion as of 30 September 2021, of which € 0.4 billion relates to the Bank. The Solar transaction is expected to be completed by end-2024 and is subject to customary conditions for such transactions.

Monza – NPE Portfolio sale

In December 2023, the Bank classified as HFS an NPE portfolio consisting of retail and business NPEs, namely portfolio Monza with a total gross book value of € 0.3 billion. The sale process is underway and the transaction is expected to be concluded within Q3 2024.

Organizational Structure of the Group

The CEO, supported by the members of the Group Executive Committee, is considered the Chief Operating Decision Maker for the purposes of identifying the Group's reportable segments. The Group manages its business through the following reportable segments:

Retail Banking – includes Mass, Affluent, Small Businesses, International Business Unit ("IBU") and Public core customer segments as well as channels of banking activity (i.e. branches, e-branches, ATMs etc).

Corporate Banking – includes Large Corporates, Shipping, SMEs and Agricultural core customer segments.

Piraeus Financial Markets ("PFM") – includes the Fixed Income, Foreign Exchange, Treasury activities (including the interest rate gap management arising from all banking activities) and Institutional clients.

Other – includes all management related activities not allocated to specific customer segments, the management of Real Estate Owned ("REO") assets, Wealth and Asset Management ("WAM") activities, certain equity participations of the Group, and funding transactions approved by the Asset and Liability Management Committee ("ALCO").

NPE Management Unit ("NPE MU") – includes the management of any NPE assessed as non-core business, irrespectively of whether the said exposures are serviced by the Group or third parties. In addition, following the derecognition of Phoenix, Vega I, II, III, Sunrise I, II and III securitized portfolios, this reportable segment includes also the senior and subordinated notes issued by the securitization special purpose vehicles ("SPVs") and retained by the Group. The fees payable for servicing the Group's NPE portfolio are recognized within this segment. Furthermore, the respective segment includes certain equity participations classified in either Fair Value through Other Comprehensive Income ("FVTOCI") or Fair Value through Profit or Loss ("FVTPL"), and certain associates (i.e., Strix Asset Management Ltd, Strix Holdings LP and Strix Holdings II LP).

Business segments include internal allocations of income and expense based on an internally approved methodology. These allocations include, among other, the costs of certain support services and functions to the extent that they can be meaningfully attributed to the reportable business segments. Such allocations are made on a systematic and consistent basis and involve a degree of subjectivity. Costs that are not allocated to business segments are included in Corporate Centre (reported under business segment "other").

Where relevant, income and expense amounts presented, include the results of inter-segment funding along with inter-company and inter-business line transactions. All inter-company transactions between business segments are undertaken on arm's length terms and inter-segment transactions and balances are eliminated within each relevant segment.

Evolution of Volumes and Results of the Group during the first half of 2024

The Group has a systemic position in the Greek banking market in terms of total assets, which amount to € 76.6 billion as at 30 June 2024. The Group holds the most extensive footprint in Greece with 371 branches (plus another 15 branches in 2 countries abroad) and a wide customer base of 6 million active customers. The branch network in Greece was reduced by 7 units during the first half of 2024. As at 30 June 2024, the Group's headcount totalled 7,906 full time equivalents ("FTEs"), of which 34 FTEs refer to operations that are planned to be disposed. FTEs employed in Greece totalled 7,489, reduced by 745 compared to a year ago, mainly due to the implementation of voluntary exit schemes ("VES").

Financial Position

Regarding the financial position of the Group as at 30 June 2024, total assets amounted to € 76.6 billion compared to € 76.5 billion as at 31 December 2023, despite the repayment of the seasonal agri loan provided to the beneficiaries related to subsidies by OPEKEPE and the repayment of € 2.5 billion TLTRO III funding, mainly offset by the strong loan book expansion achieved during the first half of 2024 and increased liquidity position.

Customer deposits of the Group stood at € 59.8 billion as at 30 June 2024, stable compared to 31 December 2023, outperforming market dynamics. The Group holds 28% domestic market share in deposits as at 31 May 2024. Savings deposits constitute 39% of the total deposits of the Group, with time deposits at 23% and current, sight and other deposits at 38%. Corporate deposits correspond to 31% of the total deposit base with retail deposits at 69%. Average time deposits' cost picked up at 2.1% in H1.2024 versus 1.2% in first half of 2023.

Selected figures of the Financial Position	30/6/2024	31/12/2023	30/6/2023	YtD	YoY
Gross Loans and advances to customers at amortised cost before ECL allowance (grossed up with PPA adjustments)	38,348	38,346	36,925	0.0%	3.9%
Less: Expected credit losses ("ECL") allowance (grossed up with PPA adjustment)	(743)	(819)	(1,153)	(9.3)%	(35.6)%
Loans and advances to customers at amortised cost	37,605	37,527	35,772	0.2%	5.1%
Financial Assets	15,486	13,938	13,780	11.1%	12.4%
Other Assets	23,535	24,985	27,431	(5.8)%	(14.2)%
Total Assets	**76,626**	**76,450**	**76,983**	**0.2%**	**(0.5)%**
Due to Banks	3,507	4,618	7,658	(24.1)%	(54.2)%
Due to Customers	59,757	59,567	58,381	0.3%	2.4%
Other Liabilities	5,557	4,912	4,052	13.1%	37.1%
Total Liabilities	**68,821**	**69,097**	**70,090**	**(0.4)%**	**(1.8)%**
Total Equity	**7,804**	**7,353**	**6,893**	**6.1%**	**13.2%**

Gross loans and advances to customers at amortised cost before ECL allowance as at 30 June 2024 amounted to € 38.3 billion, compared to € 36.9 billion as at 30 June 2023 and remaining flat versus 31 December 2023, while loans and advances to customers at amortised cost stood at € 37.6 billion as at 30 June 2024, compared to € 35.8 billion as at 30 June 2023 and € 37.5 billion as at 31 December 2023. The Group's seasonally adjusted net loans to deposits ratio rose to 63.0%, from 61.5% at 31 December 2023, on the back of credit expansion. The Group's loan book in terms of gross balance (grossed up with Purchased Price Allocation adjustment, "PPA adjustment") consists of corporate and public sector by 79%, mortgage by 17% and consumer, personal, credit cards and other loans by 4%.

The Group's financial assets portfolio has increased to € 15.5 billion as at 30 June 2024, compared to € 13.9 billion as at 31 December 2023, mainly the result of higher balances in the Group's portfolio of securities at amortised cost.

Utilisation of the Eurosystem funding stood at € 1.0 billion as at 30 June 2024, following the repayment of € 2.5 billion of the TLTRO III facility, while interbank repo funding increased to € 1.8 billion from € 435 million as at 31 December 2023.

Group NPEs stood at € 1.3 billion as at 30 June 2024, remaining stable compared to 31 December 2023. The NPEs over total gross loans ratio for the Group stood at 3.3% as at 30 June 2024, from 3.5% as at 31 December 2023. As at 30 June 2024, the Group NPE (cash) coverage ratio stood at 58.8%, from 61.6% as at 31 December 2023.

Income Statement

The Group's net interest income ("NII") amounted to € 1,045 million in the first half of 2024, presenting an increase of 11.8% compared to the first half of 2023, attributed to the favorable interest rate environment. Net interest margin ("NIM") reached 2.7% in the first half of 2024, compared to 2.5% in the first half of 2023. Net fee and commission income and income from non-banking activities amounted to € 325 million (income from non-banking activities amount to € 40 million) in H1.2024, 23.6% higher compared to H1.2023, driven by strong performance of financing fees, cards issuance, asset management and bancassurance. Net fee income over assets reached 0.9% in H1.2024, from 0.7% in H1.2023. Other income stood at a loss of € 52 million in H1.2024, compared to a gain of € 41 million in H1.2023, mainly affected by the costs related to the placement of the Company's shares previously owned by HFSF that took place in the first quarter 2024.

Total net income in the first half of 2024 amounted to € 1.3 billion, presenting an increase of 6.4% compared to the first half of 2023. The Group's total operating expenses stood at € 406 million in H1.2024, stable compared to H1.2023. Excluding the extraordinary cost related to VES amounting to € 14 million in H1.2024 and € 5 million in H1.2023, total operating expenses amounted to € 392 million in the first half of 2024, a reduction of 2.5% versus the comparative period. As a result, cost-to-core income ratio, excluding the extraordinary costs mentioned above, improved further to 29% in H1.2024 from 34% in H1.2023.

Selected figures of the Income Statement	**30/6/2024**	**30/6/2023**	**YoY**
Net Interest Income	1,045	935	11.8%
Net Fee & Commission Income [1]	325	263	23.6%
Other income	(52)	41	-
Total Net Income	**1,318**	**1,239**	**6.4%**
Staff costs	(202)	(193)	4.7%
-excl. VES costs	(188)	(188)	0.0%
Administrative expenses	(146)	(162)	(9.9)%
Depreciation and amortization	(58)	(52)	11.5%
Total Operating Expenses	**(406)**	**(407)**	**(0.2)%**
-excl. VES and other non-recurring costs	(392)	(402)	(2.5)%
Profit Before Provisions, Impairment and other credit risk related expenses	**912**	**832**	**9.6%**
ECL impairment losses and other credit risk related expenses on loans and advances to customers at amortised cost	(101)	(359)	(71.9)%
Other impairment & provisions	(44)	(63)	(30.2)%
Share of profit/ (loss) of associates and joint ventures	10	(22)	-
Profit before income tax	777	388	100.3%
Income tax expense	(213)	(90)	136.7%
Profit for the period	564	298	89.3%
Profit attributable to the equity holders of the parent	563	299	88.3%
Earnings per share attributable to the equity holders of the parent	0.45	0.24	87.5%

[1] Net Fee and Commission Income also includes income from non-banking activities

As a result of the above, Group's profit before provisions, impairment and other credit risk related expenses in the first half 2024 amounted to € 912 million, increased by 9.6%. The results of the period ended 30 June 2024 were burdened by ECL impairment charges on loans plus other credit risk related expenses amounting to € 101 million (30 June 2023: € 359 million). Excluding impairments related to NPE sales, impairments on loans stood at € 90 million, compared to € 177 million in the first half 2023, with organic cost of risk on net loans halving to 0.5%, from 1.0% in H1.2023.

The Group's profit before income tax in the first half 2024 doubled to € 777 million, compared to € 388 million in the first half 2023. Profit attributable to equity holders of the parent amounted to € 563 million compared to € 299 million in H1.2023.

Capital

As at 30 June 2024, the Group's total equity amounted to € 7.8 billion, compared to € 6.9 billion as at 30 June 2023, as a result of the recovered profitability of the Group. Hence, the Group's Basel III Common Equity Tier 1 ("CET1") as at 30 June 2024 stood at 13.85% (30 June 2023: 12.23%) and the TCR stood at 18.56% (30 June 2023: 16.95%). Proforma for the RWAs relief of the NPE portfolios classified as HFS as at 30 June 2024, and after taking into account the revised credit quality step ("CQS") mapping of the ICAP-CRIF external credit assessment institution ("ECAI"), as per the recently published EU Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024, the TCR stood at 19.0% as at 30 June 2024, whilst the CET1 ratio stood at 14.2%.

The amount of Deferred Tax Assets ("DTA") included in the Group's regulatory capital in accordance with the provisions of Greek Laws 4172/2013, 4302/2014, 4340/2015, stood at € 3.2 billion as at 30 June 2024, compared to € 3.4 billion as of 30 June 2023.

The ECB, through the Supervisory Review and Evaluation Process ("SREP") decision on 30 November 2023, informed Management on the revised OCR levels, effective since 1 January 2024. The Group has to maintain, on a consolidated basis, a Total SREP Capital Requirement ("TSCR") of 11% and an OCR of 14.58% [OCR plus Pillar II Guidance ("P2G") 1.25% at 15.83%], which includes: (a) the minimum Pillar I total capital requirements of 8.00% as per article 92(1) of Regulation 575/2013/EU (Capital Requirements Regulation, "CRR"); (b) the additional Pillar II capital requirement of 3.00% as per article 16(2) of Regulation 1024/2013/EU; (c) the fully loaded capital conservation buffer of 2.50% under Greek Law 4261/2014, (d) the transitional Other Systemically Important Institutions ("O-SII") capital buffer of 1.00% under Greek Law 4261/2014 and (e) the institution-specific Countercyclical Capital Buffer ("CCyB") under Greek Law 4261/2014 (as amended by Greek Law 4799/2021) of 0.08%.

Share Capital

On 30 June 2024, the share capital of the Group amounted to € 1,163 million divided into 1,250,367,223 common registered voting shares with a nominal value of € 0.93 each. Common shares of the Company are intangible, registered and listed on Athens Stock Exchange.

The number of the outstanding shares of the Company is the following:

Total number of outstanding common shares / Percentage of total share capital	1,250,367,223	100.00%

On 1 December 2023, the Company announced the implementation of the decision of the Annual General Meeting ("AGM") of the shareholders of the Company for the approval of the Terms of a Free Distribution of Company's Shares Plan to the Beneficiaries. A total of 1,307,585 own, common registered voting shares of the Company were distributed free of charge to 137 Beneficiaries, under the applicable variable remuneration schemes, through Over the Counter ("OTC") transactions. Prior to this and within September 2023, the Company executed the share buy-back program by acquiring 5,283,004 treasury shares at an average cost of € 2.84 per share.

In June 2024 the Company held directly 3,893,147 Own Shares, representing 0.31% of the share capital of the Company.

Apart from the above, the remaining purchases and sales of treasury shares that occurred during the current year, relate to transactions executed by the Group's subsidiary Piraeus Securities S.A. in the context of its market making operations. As at 30 June 2024, Piraeus Securities S.A. held 1,262,053 of the Group's common shares, of total nominal value € 1,173,709. The total value of treasury shares held by the Group amounted to € 15.8 million as of 30 June 2024.

The Company's shareholder structure presents great diversity. The total number of the Company's common shareholders was approximately 24,000 as at 30 June 2024. Of the outstanding common shares, 91% was held by legal entities and 9% by individuals.

Going concern conclusion

Management has made an assessment on the Group's and the Company's ability to continue as a going concern. Management's assessment considered the Group's principal business risks deriving mainly from the macroeconomic environment in combination with the Group's strategy, its liquidity and capital position. The following were taken into consideration:

a) the resilient economic growth in 2023, which continued in the first semester of 2024 and the prospects for a positive rate of growth of GDP in the medium term, which is expected to remain above the euro area average, mainly driven by the implementation of the National RRP, the inflow of private investments, private consumption, the decelerating level of inflation and the contribution of exports in the current account balance, with strong tourism revenues in particular;

b) the recovery of sovereign credit rating to investment grade status after more than a decade by three (3) major rating agencies, namely S&P, Fitch and DBRS, which reflects on the prudent fiscal policies and the implementation of reforms including, among others, the restructuring of the banking sector;

c) the upgrade of the Group's key subsidiary, Piraeus Bank, to investment grade by Moody's Ratings, with the upgrade of the long-term deposit rating and the senior unsecured rating in particular, as a result of the successful implementation of balance sheet clean-up, overall improved asset quality dynamics, strong core operating profitability with solid prospects and tightened cost management, along with strengthened capital metrics;

d) the Group's effective liquidity risk management, leading to a robust liquidity position as evident by the Liquidity Coverage Ratio ("LCR") as at 30 June 2024, as well as Management's assessment of the impact of stress test scenarios, within the Internal Capital Adequacy Assessment Process ("ICAAP") and Internal Liquidity Adequacy Assessment Process ("ILAAP") framework, on the Group's liquidity position and on mandatory liquidity ratios;

e) the capital adequacy of the Group, which exceeded the Overall Capital Requirements ("OCR") - plus P2G - and the MREL ratio of Piraeus Bank Group, which complies with the final binding MREL requirement of 27.9%, as at 30 June 2024, proforma for the successful issuance of a green senior preferred bond in July 2024 and the RWAs relief to be completed in the forthcoming period, and after taking into account the revised credit quality step ("CQS") mapping of the ICAP-CRIF external credit assessment institution ("ECAI"). It is estimated that for the next 12 months the Group's capital adequacy ratios and the MREL ratio will remain higher than the required minimum regulatory levels;

f) the possibility of natural disasters as a result of the climate change and the ongoing geopolitical crisis in the Middle East and Ukraine, which pose significant downside risks. The Group's operations in Ukraine comprise a financial institution, namely JSC Piraeus Bank ICB, and investments in real estate assets which represent approximately 0.2% of the total consolidated assets of the Company as at 30 June 2024;

g) the net profit of the Group, attributable to the equity holders of the parent, amounted to € 563 million and the NPE ratio dropping to 3.3% as at 30 June 2024 from 5.5% as at 30 June 2023. NPE (cash) coverage increased to 58.8% at 30 June 2024 versus 57% a year ago.

Based on the analysis performed, Management has concluded that there are no material uncertainties which would cast significant doubt over the ability of the Group to continue to operate as a going concern for a period of 12 months from the date of approval of the Condensed Interim Financial Statements. For this reason, the Group and the Company continue to adopt the going concern basis of accounting for preparing the financial statements.

The basis of preparation is presented in Note 2.2 of the Condensed Interim Financial Statements.

Related Party Disclosures

With reference to the transactions of the Group with related parties, such as members of the BoD and the management of the Group and its subsidiaries, with the Group's subsidiaries, associates and joint ventures, these were conducted in usual market terms and within the normal course of business and were not material in the first semester of 2024. Detailed information is included in the condensed interim financial statements in Note 26, which is incorporated herein by reference.

Group Risk Management ("GRM")

Risk Management ("RM") is a core function of the Group, targeting to an effective and efficient identification, management, monitoring and reporting of risks. Through the Risk and Capital Strategy (i.e., Risk Identification and Risk Appetite Framework, "RAF") and the individual RM Policies as well as relevant methodologies and procedures, the principles of an integrated RM framework are defined in order to support the achievement of the Group's strategic and business objectives, as defined by the BoD.

RM is not limited to the activities of the GRM Function and the Chief Risk Officer ("CRO"), but refers to the processes performed by all 3 Lines of Defense ("LoD"), based on the assigned responsibilities, in the context of an enhanced RM. The Group has established policies, procedures, and adequate mechanisms, at the level of all 3 LoD, in order to identify, manage, monitor and report risks. The procedures in place promote the independence of risk-taking, RM and control activities.

The broader RM framework at Group level is constantly evolving, taking into account the current economic environment, strategic and business plans, the Bank's historical data, market dynamics, supervisory and regulatory requirements, the Group's Corporate Governance framework, international best practices and shareholder interests.

In this context, the key driving principles of GRM for 2024 are:

- Sustainable management of Capital;
- Managing new emerging Risks;
- Continuous enhancement of risk governance and control framework;
- Strengthen Risk awareness and culture.

In 2024, GRM continues to strengthen the Group's RM framework which interacts with the Group planning processes in alignment with the in force regulatory framework, the supervisory expectations and the strategic guidelines.

Risk Strategy

Risk Strategy ensures that the Group successfully navigates the complex landscape of financial and non-financial risks. It is essential in shaping the Bank's strategic direction, ensuring not only profitability but also sustainability and ethical governance.

The development and implementation of the Group's Risk Strategy, aims at the effective management of risks and the alignment with Group's strategic objectives and business model. It defines the Group's Risk Appetite, considering the risks that it faces and balancing risks and rewards.

The dedicated unit is mainly responsible for the development and maintenance of (a) the Risk Identification ("RID") process, which enables the Group to identify the risks that the institution is or might be exposed, assess their materiality and conclude to the Group's Risk Registry and subsequently (b) the RAF which sets the level of risk that the Group is willing to undertake in order to achieve its strategic goals, in accordance with the BoD's and Risk Committee's ("RC") directions and guidance.

The key priority for the first half 2024 was the further strengthening of the RAF. This included the introduction of additional Key Risk Indicators ("KRIs"), covering Group's strategic pillars, material and emerging risks and the enhancement of limits' calibration methodologies, reflecting the evolving Group's strategic aspirations and risk profile.

Capital Management

Capital Management is a core activity of bank management within the Group. Its primary objective is to assist the Group in assessing and actively managing its available capital in order to safeguard, on an ongoing basis, its adequacy against the capital required to cover risks that are inherent in its business activities, taking into account both regulatory guidelines and rules with respect to the measurement of required capital and the amount and quality of available capital, as well as internal risk and capital management perspectives.

In more detail:

- The Capital Requirements Calculation & Reporting Function within Capital Management is responsible for the measurement, monitoring and reporting of regulatory capital requirements (Risk Weighted Exposure Amounts for all risks quantified under Pillar I) and the resulting capital adequacy ratios of the Group. More specifically, the Capital Requirements Calculation & Reporting Function:

    - Calculates and analyses RWAs under the Pillar I regulatory framework;

    - Prepares disclosures under the Pillar III framework;

    - Provides information for regulatory authorities, management bodies, business units, and investors;

    - Increases capital awareness to key stakeholders, promoting insightful business decision making and optimal regulatory capital usage.

    The function assists the Group in meeting regulatory requirements, enhancing market discipline, promoting risk culture across the organization and safeguarding sustainable (from a risk adjusted return) profitability.

- The ICAAP, Stress Testing & Recovery Planning function within Capital Management is responsible for the design and implementation of the Group's ICAAP, an assessment of the Group's Capital Adequacy from two perspectives, the Economic Perspective (available internal capital against internal capital requirements, vis-à-vis all potential unexpected losses for all material risks that the Group is currently or might be exposed to in the future) and the Normative Perspective (medium term forward looking assessment of capital adequacy under various scenarios, encompassing the Group's business plan as well as internal enterprise-wide stress testing). Through this holistic assessment the Group's Management and its BoD, but also the Regulatory Authorities, via the relevant submissions, have a clear understanding of the Group's risk profile and its current and prospective capital position. Furthermore, ICAAP's results provide input to all strategic processes, helping to ensure adequate capitalization on an on-going basis.

- Furthermore, the ICAAP, Stress Testing & Recovery Planning function is also responsible for the coordination and overall maintenance of the Group's recovery plan (an assessment of the Group's capacity to monitor, prepare and react in order to recover from theoretical extremely severe capital and liquidity stress conditions). Recovery Planning ensures the Group's readiness to restore its financial position if it deteriorates significantly, by developing a mechanism that enables the Group to react effectively under a potential capital and/or liquidity crisis.

Under the above context the key initiatives for the first half of 2024 include:

- Successful ICAAP 2023 execution and submission: The key enhancements performed in this ICAAP cycle, stemming from both the need to address regulatory findings in the context of the previous ICAAP's SREP dialogue and from internally driven identification of areas for improvement, were: a) Climate & Environmental ("C&E") risks quantification, where the Group through targeted Climate Risk scenarios assessed the internal required capital estimates of unexpected losses, along with ECL shocks across the Group's credit portfolios, over the 3-year horizon assessed in the ICAAP Stress scenarios, b) addressing all updated ECB expectations regarding ICAAP;

- Preparation for the forthcoming submission of the 2024 annual update of the Group recovery plan, aiming at addressing all regulatory findings as per the JST's assessment of the 2023 Group recovery plan;

- Initialization and intensive execution of an extensive programme to design and implement the new prudential requirements framework for credit risk, credit valuation adjustment risk, Operational Risk ("OR") and market risk [CRR III/Capital Requirements Directive ("CRD") VI "Basel IV"];

- Transition to an updated version of the Risk Authority capital requirements calculation engine, in preparation of the upcoming Basel IV regulatory framework;

- EBA Stress Test 2025 preparation – initiation of a preparatory program, aiming on the Group's readiness against key challenges of the forthcoming EU – wide regulatory stress test, namely, the integration of the new regulatory capital requirements (CRR 3 / Basel IV) into both historical and projected Group data.

Credit Risk

Credit risk is most simply defined as the potential that a bank borrower or counterparty will fail to meet its obligations in accordance with agreed terms and is considered to be the most significant risk for the Group. Its monitoring and management through the implementation of specific policies and procedures is an integral part of the Risk Management Framework ("RMF") of the Group. In line with supervisory expectations and best practices, the established Credit Risk framework of the Bank is based on sound principles, addressing the following areas:

I. Establishing an appropriate credit risk environment

II. Operating under a sound credit granting process

III. Maintaining an appropriate credit administration, measurement and monitoring process

IV. Ensuring adequate controls over credit risk

The Credit Risk Management is the one of the key pillars of GRM and has the mission of prompt identification and effective management of credit related risks through the establishment of a robust framework of policies, methodologies, processes and systems that enable the Group to maintain a profitable credit portfolio with acceptable risk profile.

Credit Risk management has the responsibility for the planning, specialization and implementation of credit risk strategy and policies. It uses the appropriate methods, including the use of models for the provision, acknowledgement, measurement and monitoring of the related risks.

In more detail, Credit Risk management responsibilities entail:

- Participation in the RAF of the Group
- Identification, estimation, quantification & monitoring of all kinds of credit risk, across retail & wholesale portfolios
- Calculation of the ECL for loans and advances to customers collectively assessed, based on the Group's impairment policy, using statistical models
- Calculation and monitoring of credit risk parameters (Probability of Default – "PD", Cure Rate – "CR", Loss Given Default – "LGD")
- Management and maintenance of the Group's internal rating tool for the wholesale portfolio
- Development, calibration and monitoring of credit risk models
- Ensuring compliance with regulatory/supervisory expectations on credit risk management
- Planning and implementation of independent, ex post credit reviews providing assurance with respect to adherence to credit, provisions, write-offs policies and procedures
- Assessing credit risk in the design of new products
- Regular monitoring of compliance with the early warning & the active loan management policies and procedures
- Reporting to supervisors and senior management

The main Credit risk initiatives for the first half of 2024 include:

- Calibration of International Financial Reporting Standard ("IFRS") 9 CR models, incorporating the new Definition of Default
- Development of a retail customer PD model
- Incorporation of a Natural Language Processing model ("NLP") to enhance the Early Warning System
- Update of the retail portfolio mapping to the rating masterscale
- Contribution in the credit risk stream of the One-off-Fit-for-55 climate risk scenario analysis
- Initiation of ad hoc in-depth credit file reviews driven by results or effects of special cases, e.g. floods / wildfires
- Control framework reinforcement through monitoring evolution process and timely completion of actions in the Early Warning flow
- Initiation of regular in-depth credit file reviews in single name / concentration risk. Extended file review on borrowers / group of borrowers included in single name exposure / concentration report

- Active participation in the on-site inspections on the commercial real estate ("RE") portfolio, forbearance deep dive and risk data aggregation and risk reporting
- Enhancements of credit risk management policies and procedures and update of the relevant documents (impairment calculation methodology and process documents, credit risk framework, credit risk monitoring and reporting framework, crisis and natural disasters protocol)
- Design of asset quality indicators in line with supervisory guidelines of loan origination framework
- Enhancement of automation and efficiency in credit risk monitoring to aid decision making
- Enhancement of forbearance performance monitoring, by developing a semi-annual relative report
- Enhancement of portfolio monitoring by developing reports for key financial ratios for industries
- Contributed to internal projects for the enhancement of customer's financial information and the upgrade of the Group's related platforms ("Common database for financial data", "CRM Transformation: Share of Wallet")
- Introduction of C&E risks monitoring pack.

Liquidity risk

Management acknowledges that effective Liquidity Risk Management is essential to the Group's and the Bank's ability to meet its obligations, while also safeguarding its financial results and its capital adequacy.

Liquidity risk is defined as the risk arising from the Group's and the Bank's inability to meet its financial obligations when they come due, without incurring unacceptable costs or losses at all times, including under stress. Effectively, Liquidity Risk arises from funding long term assets by short term liabilities, thus making the liabilities subject to refinancing.

Liquidity Risk encompasses a variety of originating risks, such as, inter alia, the risk stemming from limited or less stable funding sources that need to be refinanced at a reasonable cost (i.e., funding risk and funding cost risk), the inability to liquidate or repo assets within a required timeframe at no significant discount (i.e. market liquidity risk), the inability to access a wide range of market participants in an easy and quick manner (i.e. market access risk), or the risk deriving from excessive reliance on a single funding source or a category type of funding source, including high concentration in certain collateral types used for funding purposes (i.e. concentration risk).

RC approves the business strategies related to Liquidity risk, liquidity risk management policies, and internal controls, including ILAAP and Liquidity Stress Testing Framework, while ALCO reviews and monitors Liquidity KRIs and limit thresholds, as well as any remedial actions upon limit breaches.

Piraeus Bank Liquidity Risk governance is based in three LoD structure with a clear delegation of responsibilities. Specifically, PFM Treasury is the first LoD function responsible for actively managing Liquidity position and developing wholesale funding sources. The Liquidity Risk Management Unit acting as a second LoD assumes the primary responsibility for the formalization, review, and update of the liquidity risk policy, as well as the development of liquidity risk measurement methodologies, policies, and procedures aligned to international standards and best practices. In addition, it monitors and reports liquidity position and KRIs on a regular basis to all relevant internal and external stakeholders. Lastly, Audit as a third LoD independently evaluates the effectiveness of liquidity risk management policy implementation and the related procedures, as part of the Group's Internal Control System ("ICS").

The liquidity management framework of the Group presents the overall attitude and approach of the Group's BoD and senior management towards liquidity risk. In particular, the framework includes the key principles of liquidity risk management, as well as the guiding statements, both qualitative and quantitative, that define the Group's liquidity risk capacity and risk appetite along with relevant set thresholds. The framework also defines the roles and responsibilities of the parties involved, as well as the methods, metrics / indicators, and procedures used in the management of liquidity risk.

In addition, the Group has established a number of key documents that provide firm guidelines on the development of the various key action plans in place. These documents define the desired and BoD-approved activity levels and targets, with respect to the evolution and mix of its assets and liabilities, as well as the processes and tools available for use in the case of mild or severe crises.

More specifically, in order to manage liquidity risks effectively, Liquidity Risk Management Unit monitors and reports, the amount, quality, and composition/diversification of its liquid assets, the cash flow analysis of its assets and liabilities (inflows, outflows) in time buckets, the composition/diversification and cost of its funding sources, the composition/diversification and funding capacity of its unencumbered collateral, and its funding needs in local and foreign currencies, and performs relevant stress testing exercises.

The Liquidity Risk Management Unit also monitors and controls the Group's liquidity risk approved metrics' alignment to the set RAF, recovery plan and contingency funding plan thresholds and escalates relevant limit breaches to the ALCO and Board Risk Committee. Additionally, the Unit reports through its monthly liquidity risk report to ALCO, all liquidity metrics and indicators' readings and analyses, as well as liquidity stress testing outcomes, maturity gaps between assets and liabilities, and cost of funding evolution.

The Bank and the Group LCR and NSFR (Net Stable Funding Ratio) indicators are calculated on a monthly and quarterly basis, respectively, as per regulation (EU) No. 575/2013 and subsequent amending Delegated Acts, while the Bank and Group LCR are also calculated and reported internally to the senior management on a daily basis.

Group's liquidity and funding profile continues to be exceptionally strong, having maintained ample liquidity buffers and stable funding sources, sufficient to shield the Group from all identified material risks, while both the LCR and NSFR, on Bank and Group levels, exceeded comfortably the minimum regulatory requirements of 100% and the set Risk Appetite Limits.

Market risk

Market risk is the current or prospective risk of loss due to adverse movements in the level or the volatility of market prices and rates, including interest rates, equity and commodity prices and foreign exchange rates.

The Group and the Bank engage in moderate trading activities in order to enhance profitability and service their clientele. These trading activities bear an inherent market risk, which the Group and the Bank pursue to identify, estimate, monitor and manage effectively through a framework of principles, measurement processes and a valid set of limits that apply to all the transactions of the Group and the Bank. The most significant types of market risk for the Group and the Bank are interest rates, equity and foreign exchange risk.

The Risk Committee of the BoD approves the market risk management policy that applies to both the Group and the Bank and outlines the basic definitions of market risk management and defines the roles and responsibilities of the units and executives involved. ALCO is responsible for reviewing the procedural framework and methodologies under which efficient KRIs metrics and market risk limits are set in order to ensure prudent balance sheet management in accordance with the Group's business strategy. In an operational level, PFM Treasury as a first LoD manages on a daily basis the market risk bearing positions by adhering to the authorized list of instruments set, while Risk Management Division is responsible for the development of Market risk measurement methodologies aligned to international standards and best practices. In addition RM monitors and reports to senior management all relevant KRIs in a daily frequency and escalates breaches of the Group's market risk limits to ALCO.

The Group and the Bank apply up to date, generally accepted techniques for the measurement of market risk. Specifically, sensitivity indicators such as CSPV01 (adverse impact to the net present value of the bond portfolio for a 1 bps parallel move in the yield spread curve) as well as Value-at-Risk ("VaR"), are calculated on a daily basis.

For every activity that bears an inherent market risk, the Group and the Bank have assigned adequate market risk limits which are monitored systematically. Market risk management is not confined to trading book activities but covers the Statement of Financial Position as a whole.

The VaR measure is an estimate of the potential loss in the net present value of a portfolio, over a specified period and with a specified confidence level. The Group and the Bank adopted the Historical VaR approach ("HVaR") which is a scenario-based method based on historical data variations. It uses past observations to infer the potential future movements of market parameters, with no assumption about the risk factors distribution. Market data shifts are measured over a look-back period of two (2) years. The current positions are fully revaluated using these shifted market parameters.

As the VaR methodology evaluates the maximum risk at a specified confidence level (e.g. a 99% VaR measures a loss that is expected to be exceeded only 1% of the time), another metric is the Expected Shortfall ("ES"), which captures the tail risk that is not accounted for in the existing VaR measures. Thus, ES calculates the average loss above this level (e.g. a 99% ES measures the average of the worst 1% of losses).

As a complement to VaR, a stress test analysis is conducted to estimate the potential outcomes on portfolio values under exceptional events. A scenario analysis approach is used where a series of shifts (historical or market specific) on market parameters is defined. Stress testing results are produced by the same calculation engine that produces VaR figures and are analyzed on a scenario basis to identify how the positions perform under the predefined scenarios.

The Group and the Bank evaluate the validity of the VaR estimates, by conducting a relevant back-testing program on the trading book VaR, through the comparison of the VaR estimate against the actual change in the value of the portfolio, due to the changes in market prices, on a daily basis.

Interest Rate Risk in the Banking Book

Interest rate risk in the banking book ("IRRBB") is the risk to earnings and capital arising from adverse changes in the absolute level of interest rates. It involves:

- **Gap or repricing risk**, arising from the timing mismatch in the maturity and repricing profile of interest rate sensitive assets and liabilities;

- **Basis risk**, arising from the imperfect correlation in the adjustment of the rates earned and paid by the Group on different interest rate sensitive instruments, with otherwise similar rate change characteristics; and

- **Option risk**, arising from options (embedded and explicit), which alter the level and timing of cash flows relating to interest rate sensitive assets and liabilities.

IRRBB stems, mainly, from financial instruments that carry a fixed interest rate, especially those whose rate is fixed for a long period of time, such as mortgages, consumer loans, and fixed rate debt securities.

Changes in interest rates have an impact on the profitability of the Group and the Bank, by affecting NII and other income or expenses sensitive to changes in interest rates.

Changes in interest rates also affect the fair value of assets and liabilities (Economic Value of Equity-"EVE"), because there is a consistent relationship between interest rate risk factors and the changes in the present value of future cash flows (in certain cases, the actual cash flows). Therefore, it is essential to have a comprehensive risk management process in place that effectively identifies, monitors, controls and limits interest rate risk exposures (through hedging, where necessary), to safeguard the financial performance of the Group and the Bank.

The Group implements an interest rate risk management policy outlining various valuation techniques that rely on maturity and repricing schedules, incorporating behavioral models, where necessary, in accordance with regulatory requirements and best market practices.

In particular, the Group measures interest rate risk as the change in NPV (the present value of expected net cash flows from existing assets minus the present value of expected net cash flows from existing liabilities), using an EVE measure ("ΔNPV-ΔEVE"). In addition, the Earnings-at-Risk measure ("ΔNII – EaR") measures the negative impact on the projected annual NII from a change in market interest rates.

The Group is managing interest rate risk with a focus to optimize the risk and return of the IRRBB, while at the same time adhering to internal and external restrictions, such as interest rate risk limits, the RAF, accounting policies, and profitability targets. To this end, the management has set appropriate limits for measuring the change in the NPV of the balance sheet items ("ΔNPV"), as well as for ΔNII-EaR, which are monitored on a regular basis.

ESG Risks

Environmental, Social, and Governance ("ESG") risks refer to the potential negative financial and non-financial impacts that an organization's activities may have on the environment and society, as well as the organization's long-term sustainability, reputation, and brand. ESG risks, and in particular climate-related risks, is a topic of increasing importance in the financial industry. As these risks have proven to translate to material losses in recent years, there is more focus from institutions to integrate ESG risk strategy, monitoring, and measurement into their business models and from regulatory authorities to develop a robust supervisory framework to ensure these risks are effectively managed.

The dedicated ESG Risks Unit incorporates ESG and Climate risks in the Group's RMF. It identifies, measures, manages, and reports them in close collaboration with the Group Planning, IR, & ESG Unit, GRM, and other Business Units. It also provides subject matter expertise on these risks in the context of risk frameworks, governance, management and measurement, stress testing, regulatory expectations, and disclosures. Furthermore, it identifies potential areas for enhanced analysis and improvements in the management of ESG and Climate risks and their respective implementation plans and ensures appropriate information flow and progress on their roadmaps inside GRM. Finally, it participates in the development of training courses and contributes to industry dialogues, working groups, or drafting teams established with key internal and external partners.

The Key priorities for the first half of 2024 include:

- Further incorporation of C&E risks (both physical and transition) into Group's strategy, governance, RM framework, policies and processes;
- Submission of the Pillar 3 disclosures on Climate and ESG risks;
- Enhancement of a Physical Risk Geographic Information System ("GIS") platform to further strengthen scenario analysis capabilities and effective RM;
- Active participation in the interbank ESG risks questionnaires initiative for ESG data collection from clients;
- Monitoring of C&E risks management policy, describing the framework for effective management of C&E risks, along with their principles, processes and governance.

Operational Risk

Operational Risk (OR) is defined as the risk of loss deriving from inadequate or failed internal processes, people and systems, or from external events.

The Group recognizes OR as a material risk type inherent in its activities, which may significantly affect its capital position, its effectiveness and its ability to achieve its business objectives. In this respect, the Group's senior management wishes to maintain an adequate and effective Operational Risk Management Framework ("ORMF") and an ICS in order to monitor, assess, and manage OR.

The OR Unit is responsible for the development and implementation of an effective framework (policies, methodologies, and procedures) for the management of the undertaken ORs, based on the Group risk and capital strategy and supervisory requirements. The OR Unit is also responsible for informing the Group's senior management and relevant committees about the evolution of the said risks.

Basic tools and mechanisms that are part of the ORMF and contribute to the identification, assessment, measurement, mitigation, and monitoring of OR are indicatively:

- **The Risk & Control Assessment** (RCSA) **methodology**, established to ensure a standardized and transparent approach for the identification, assessment and measurement of ORs inherent in the activities of all the Group's units, as well as for the assessment of the controls implemented to mitigate the meaningful risks that are identified.

- **The Operational Risk actual Incidents and losses collection process**, which has a fundamental role and multiple uses in risk management. The data collected through this process are analyzed and reported to the Group's relevant committees and the supervisory authorities. All critical incidents are subject to a detailed root cause analysis, aiming at the identification of deficiencies and the development of corrective actions.

- **The Risk Appetite Framework** (RAF) which consists of specific quantitative and qualitative risk appetite statements. The quantitative statements are key measurable indicators for which specific risk appetite limits are defined, in order to monitor that ORs are maintained at acceptable levels. The qualitative statements echo the Group's intention and commitment to address specific material OR types which could cause severe impacts to the Group's performance and reputation.

- **The Operational Risk Extreme Scenario Analysis process**, the objective of which is to enrich the internal data with rare but plausible events that may have significant, adverse financial and/or non-financial impacts to the Group. Extreme scenarios are used to supplement internal measurements of potential losses. They are also used as an input to the Internal capital and VaR calculation models related to OR, while, indirectly, they are also used to assess the adequacy of insurance coverages.

- **The internal capital & VaR calculation methodology for Operational Risk**. The objective of the methodology is to assess the required internal capital as VaR, through simulation and combinatorial use of loss distributions deriving from 3 key types of internal data: actual OR incidents and losses, RCSA and extreme scenarios. The above types of data, in combination, provide a comprehensive and representative picture of the risks (actual and potential), given the existing ICS. To assess the required internal capital, the methodology takes into account the contribution of the Group's insurance coverage framework.

- **The stand-alone risk assessment exercises, known as ORAPs** (Operational Risk Assessment Processses) conducted for the Group's initiatives and projects fulfilling specific criticality and complexity criteria. The purpose of these exercises is to identify, assess, monitor, and measure potential ORs (both within the project implementation and after completion) and manage them through the implementation of corrective actions.

- **The Products Control process**, according to which Product Managers submit new product/service proposals and co-ordinate Product Working Groups (PWG), in order the products and services to be reviewed for ORs. The OR Unit participates in the PWG and contributes to the identification of risks and issues that should be resolved before approval, while approving bodies receive relative information for consideration.

- **The Operational Risk Management Reporting Framework**, the objective of which is to provide timely, complete, and accurate information to the senior management, responsible committees and supervisory authorities. The reporting is supported by the platform used by the OR Unit. The platform is constantly being enriched and enhanced in order to achieve the maximum automation and data integration in respect to the most significant processes applied by the OR Unit (such as the RCSA, the KRIs monitoring, the incidents and losses collection, the calculation of VaR, and the Internal Controls Deficiencies (ICDs) management).

- **The training activities** aiming at enhancing the risk culture and awareness.

Information and Communication Technology ("ICT") risk is a critical component of OR management, enjoying increasing regulatory scrutiny. Recognizing this, the Group embarked on a strategic project to create an independent 2LoD with oversight over technology and security risk, with the ability to assess the level of risk and the adequacy of related controls. The project successfully delivered a comprehensive ICT RMF, established a target operating model for ICT risk oversight, and developed a solid ICT controls library, based on standards and industry practices. Additionally, it specialized the existing Risk and Control Self-Assessment (RCSA) process in ICT risk, ensuring integration with other ICT risk assessments conducted within the bank. This initiative underscores the Group's commitment to robust ICT risk management and regulatory compliance.

During the first half of 2024, the Group continued its efforts for the further enhancement of the ICS and the overall ORMF. Indicative initiatives include:

- The initiatives for the alignment of the 3 LoD (which indicatively include the optimization of cooperation of the 2nd LoD functions, or the development of a reliance model);

- The enhancement of ICT risks management in the 2nd LoD;

- The further enhancement of OR loss collection and analysis (indicatively in workflows automations);

- The expansion of use of the new central platform implemented recently for recording and monitoring the ICDs identified by internal and external audits;

- The further enhancement of risk and control assessment methodologies and procedures.

Model Validation

The Model Validation Unit ("MVU") as part of the Group's control function under GRM contributes to the Group's effort to mitigate model risk, i.e. the risk arising from potential limitations in the development or use of the Group's models, by developing / maintaining and implementing a model validation framework and by contacting independent validation assessments regarding the robustness, accuracy and effectiveness of the Group's models, while contributing to the improvement of models' quality. The scope of MVU covers all types of models used by the Group, existing or new, such as credit, market, liquidity, OR models, IRRBB, stress testing related and capital management planning models. Validation assessments are conducted on new and existing models based on the annual model validation plan. Validations include qualitative assessment regarding data processing, design, conceptual soundness, internal and external requirements and use of models and quantitative assessment mainly regarding discriminatory power, accuracy, and stability of models. All validation assessments are submitted and approved by the Risk Model Oversight Committee – "RMOC".

The key priorities for first half 2024 include:

- Enhancement of the model validation framework on: (a) the rules for the assignment of model rating (1-4) and RAG status (Red Amber Green) to validation components, (b) the model validation report structure, (c) the metrics and requirements for the performance and data quality assessment of operational risk VaR model;

- Contribution to the quality assurance of models used in Financial Statements and ICAAP calculations through the validation of new or updated models in alignment with the regulatory requirements, such as credit risk models (IFRS9, retail & wholesale), interest rate risk models and market risk models;

- Formalization of the quarterly follow-up process of model validation findings through the Group's new platform for a more effective management of model issues. Submission to RMOC of the follow up report on model validation findings monitoring results;

- Enhancements in the model management and validation platform, regarding the functionality of specific validation metrics in multiple reference dates.

Risk Data and Solutions

The risk data aggregation and data quality management processes are crucial in enabling the Group to assess and monitor its Risk Profile. Thus, the Group has set up a solid IT infrastructure, comprised of specialized tools, systems and processes, that facilitate and support the timely and accurate risk data aggregation, risk reporting and risk monitoring. In this context, Risk Data & Solutions, contributes to the determination and review of the risk data requirements, definitions and data modelling for the GRM. Furthermore, it plays a key role in the identification and management of risk data quality issues and implements risk data analytics solutions, with the use of tools and methodologies, in compliance with the Group's Policies, the regulatory framework and the industry's best practices.

Key Committees with GRM participation

Board Committees

- Risk Committee
- Audit Committee

Executive Committees

- Executive Committee
- Asset-Liability Management Committee (ALCO)
- Provisioning Committee
- Resolution Planning Committee
- Resolution Committee
- Operational Risk Committee
- Senior Credit Committee, Recovery Credit Committee and other Credit Committees
- Group Planning & Monitoring Committee
- ESG & Corporate Responsibility Committee
- Data Governance Committee
- Whistle Blowing Committee
- Risk Models Oversight Committee
- Project Proteus Steering Committee

Prospects and challenges of the Group's operations in the second half 2024

During the first half 2024, global economic activity continued to experience uncertainty and challenges due to the war in Ukraine for the third consecutive year, the clashes in the Middle East, and the rise in geo-strategic trade tensions between the US and China. However, the de-escalation of inflation, the relatively low unemployment rates, the gradual start of monetary easing from major central banks and the smoothing out of supply chain issues, all contribute to phased improvement in the international economic landscape.

The Greek economy remained on a growth trajectory in the first semester of 2024 despite the volatility that prevailed in the international environment and the macroeconomic impact from monetary policy in the EZ, while according to the forecasts of the EC, it will achieve a growth rate of more than double the expected EU average, at 2.2% in 2024 and 2.3% in 2025. The domestic economy is expected to be supported by private consumption, exports and the strengthening of investments arising from the anticipated relaxation of monetary policy and significant EU funding.

2024 is a milestone year for Piraeus, as the Group returned to full privatization status with the successful offering of 27% of Piraeus Financial Holdings share capital held by the HFSF, paid a cash dividend to its shareholders amounting to € 79 million for the first time after 16 years, while recently the Bank has regained the investment grade rating after 14 years.

2024 started strongly for the Bank's financial performance, with the first half confirming good progress towards achieving full year targets. In H1.2024 the Group delivered another solid set of financial results, generating € 563 million net profit attributable to shareholders. The Bank has achieved sustainable risk-adjusted profitability and capital accumulation, through diversified revenue sources and cost discipline, while maintaining prudent credit risk management. Piraeus is the first Greek bank that has met the final binding MREL requirement through solid organic capital generation and senior debt issuance in H1.2024.

Being the bank with the largest footprint in the Greek economy based on domestic deposits and performing loan balances, Piraeus has benefited from the economic environment, continuing to finance growth, and create value for the economy and the society at large. Equipped with ample liquidity, a strengthened balance sheet and adequate capital buffers, Piraeus stands ready to finance Greece's path to sustainable growth and create value for its shareholders. In H1.2024, the Group's performing exposures grew 8% YoY, on track to meet our full year target.

Capitalizing on the year-to-date performance, Piraeus Group announced in early-June 2024 its updated financial targets for the full year 2024. The key upgrades comprise reported net profitability of approximately € 1.0 billion compared to € 0.9 billion previously, higher NIM at 2.7% compared to 2.6% previously, upgraded net fee income over assets to approximately 0.8% versus 0.7% previously, cost to core income ratio expected lower than 33% versus lower than 35% before and lower cost of risk over net loans at 0.7% from 0.8% previously. The refreshed 2024 trajectory is combined with a 25%-30% distribution regulatory accrual over net profit, to be finalized and submitted for approval to the Annual General Meeting of shareholders and paid out next year, subject to supervisory consent.

The geopolitical challenges, fluctuating energy markets, the technological developments that open a whole new area of opportunities and threats, the climate crisis and the emerging societal shifts, remain the medium to long-term challenges for the banking sector and Piraeus Group.

For the short-term, Greece's macroeconomic performance and its resulting effects, the continuation of long needed structural reforms, the tacking of inflation mainly arising from food prices and, most importantly, the monetary policy's tightening pace and interest rates trajectory with their impact to credit demand, banking products pricing and NPE inflows, are the key areas of focus.

Additionally, the Group must navigate the headwinds of the macro-financial environment that lie ahead, with a particular emphasis on accelerating digital transformation. This is essential not only to mitigate the increasing cyber and operational risks but also to embrace the benefits and tackle the challenges posed by the emergence of artificial intelligence.

In parallel, with Greece increasingly facing climate disasters, the consequences of the climate crisis will be stressing the business models of companies, as well as the resilience of households, thus sustainable, data-driven and proactive management of such risks is imperative.

Athens, 30 July 2024

On behalf of the Board of Directors

George P. Handjinicolaou	Christos I. Megalou
Non-Excecutive Chairman of BoD	Managing Director (CEO) Executive BoD Member

ALTERNATIVE PERFORMANCE MEASURES ("APMs") AT GROUP LEVEL

In addition to the financial information reported under IFRS, the Group presents certain financial metrics as APMs, aligning with the guidelines issued by the European Securities and Markets Authority ("ESMA") on 5 October 2015, which have been in force since July 3, 2016. According to the ESMA's definition, an APM is a measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial framework. These measures are not required by, nor are they recognised under or presented in accordance with IFRS or accounting principles generally accepted in Greece.

The below APMs provide a basis for monitoring the Group's periodic financial performance and results of operations through metrics which, although they are commonly used to convey the management's view to the end user, they are not explicitly defined under IFRS. These APMs are intended to provide investors and the Group's management with additional information to assist them in evaluating the Group's financial position and performance.

The Group uses APMs in the context of making decisions regarding its financial, operational and strategic planning, as well as for the evaluation and publication of its performance. These APMs should be considered as supplemental in nature and not as a substitute for the IFRS measures. They are not always comparable with measures used by other companies.

Below the Group presents the tables including APM indicators calculated pursuant to its audited consolidated interim condensed financial statements as at and for the periods ended 30 June 2023 and 30 June 2024.

A. APMs

No	APM	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
1	Cost of Risk, organic	Impairment charges (as defined herein) excluding (-) ECL impairment on loans and advances related to NPE securitizations and sales (/) Net loans seasonally adjusted (as defined herein). Relevance of use: Asset quality metric	1.0%	0.8%	0.5%
2	Cost-to-core income ratio	Recurring Operating expenses (as defined herein) over (/) core income. Core income equals NII plus (+) net fee and commission income plus (+) income from non-banking activities including rental income from investment property, minus (-) extraordinary net fee and commission income. Relevance of use: Efficiency metric	34%	31%	29%

No	APM	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
3	Financial Assets	The sum of financial assets at FVTPL, financial assets mandatorily measured at FVTPL, loans and advances to customers measured mandatorily at FVTPL, and investment securities. Relevance of use: Standard banking terminology	€ 13,780 million	€ 13,938 million	€ 15,486 million
4	Loans to Deposits Ratio (LDR)	Seasonally adjusted net loans (as defined herein) by (/) Deposits (as defined herein). Relevance of use: Liquidity metric	61.4%	61.5%	63.0%
5	Net Fee Income over Assets	Recurring Net Fee Income ("NFI") over (/) average total assets adjusted as defined herein (average being balance of Q4.22 and H1.23 divided by 2 for H1.23 and balance of Q4.23 and H1.24 divided by 2 for H1.24). NFI recurring equals Net fee and commission income plus (+) income from non-banking activities (includes also rental income from investment property) Relevance of use: Profitability income	0.7%	0.7%	0.9%
6	Net Interest Margin (NIM)	NIM equals NII over (/) average total assets adjusted as defined, herein (average being balance of Q4.22 and H1.23 divided by 2 for H1.23 and balance of Q4.23 and H1.24 divided by 2 for H1.24). Relevance of use: Profitability metric	2.5%	2.7%	2.7%
7	Non-Performing Exposures (NPEs)	On balance sheet credit exposures before ECL allowance for impairment on loans and advances to customers at amortised cost that include: a) loans measured at amortised cost classified in stage 3; plus (+) b) purchased or originated credit impaired ("POCI") loans measured at amortised cost that continue to be credit impaired as of the end of the reporting period; plus (+) c) loans to customers mandatorily measured at FVTPL that are credit impaired as of the end of the reporting period. Relevance of use: Asset quality – credit risk metric	€ 2,049 million	€ 1,329 million	€ 1,264 million

No	APM	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
8	NPE Ratio	NPEs over (/) gross loans (as defined herein) Relevance of use: Asset quality – credit risk metric	5.5%	3.5%	3.3%
9	NPE (cash) coverage ratio	ECL allowance for impairment losses on loans and advances to customers at amortised cost over (/) NPEs Relevance of use: Asset quality – credit risk metric	56.8%	61.6%	58.8%
10	Other Assets	Total Assets minus (-) Net Loans (as defined herein) minus (-) Financial Assets Relevance of use: Standard banking terminology	€ 27,431 million	€ 24,985 million	€ 23,535 million
11	Other Income	Total net Income minus (-) NII minus (-) Net Fee and Commission Income and minus (-) income from non-banking activities including rental income from investment property Relevance of use: Profitability metric	€ 41 million	€ 58 million	€ (52) million
12	Other Liabilities	Total Liabilities minus (-) Due to Banks minus (-) Customer Deposits Relevance of use: Standard banking terminology	€ 4,052 million	€ 4,912 million	€ 5,557 million
13	Performing Exposures	Gross loans (as defined herein) excluding (-) NPEs (as defined herein) excluding (-) senior tranches of NPE securitizations bearing Greek state Guarantee under the Hercules Scheme excluding (-) OPEKEPE seasonal agri loan Relevance of use: Asset quality – credit risk metric	€ 28,988 million	€ 30,134 million	€ 31,286 million
14	Recurring Operating Expenses	Total operating expenses minus (-) Extraordinary expenses (as defined herein) Relevance of use: Efficiency metric	€ (402) million	€ (793) million	€ (392) million
15	Total Regulatory Capital Ratio (fully loaded) on a pro forma basis	Total capital ratio, as defined by Regulation (EU) No 575/2013, for H1.2023 subtracting (-) from the denominator the RWA of the NPE portfolios, classified as HFS as at 30 June 2023, for FY.2023 subtracting (-) from the denominator the RWA of the NPE portfolios classified as HFS as at 31 December 2023 and adding (+) to the numerator the capital accretion from the new issuance of Tier 2 in Jan.24 and for H1.2024 a) subtracting (-) from the denominator the RWA of the NPE	17.1%	18.2%	19.0%

No	APM	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
		portfolios classified as HFS as at 30 June 2024 to be completed in the forthcoming period, and b) taking into account the revised Credit Quality Step (CQS) mapping of the ICAP-CRIF external credit assessment institution ('ECAI'), as per the recently published EU Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024 Relevance of use: Capital position regulatory metric			
16	CET1 Capital Ratio (fully loaded) on a pro forma basis	CET1 capital ratio, as defined by Regulation (EU) No 575/2013, for H1.23 subtracting (-) from the denominator the RWA of the NPE portfolios, , classified as HFS as at 30 June 2023, for FY.2023 subtracting (-) from the denominator the RWA of the NPE portfolios classified as HFS as at 31 December 2023 and adding (+) to the numerator the capital accretion from the new issuance of Tier 2 in Jan.24 and for H1.24 a) subtracting (-) from the denominator the RWA of the NPE portfolios classified as HFS as at 30 June 2024 and b) taking into account the revised Credit Quality Step (CQS) mapping of the ICAP-CRIF external credit assessment institution ('ECAI'), as per the recently published EU Commission Implementing Regulation (EU) 2024/1872 of 1 July 2024 Relevance of use: Capital position regulatory metric	12.3%	13.3%	14.2%

B. APMs Components

Balance Sheet

No	APM Component	APM Definition – Calculation[2]	30/06/2023	31/12/2023	30/06/2024
1	Deposits or Customer Deposits	Due to customers	€ 58,381 million	€ 59,567 million	€ 59,757 million

No	APM Component	APM Definition – Calculation[2]	30/06/2023	31/12/2023	30/06/2024
2	ECL Allowance grossed up with PPA adjustment and FV adjustment	ECL allowance grossed up with PPA adjustment and fair value adjustment on loans and advances to customers mandatorily measured at FVTPL corresponding to € 11 million for 30/06/2023 and € 0 million for 31/12/2023 and 30/06/2024	€ (1,164) million	€ (819) million	€ (743) million
3	Gross Loans or Customer loans	Net loans (as defined herein) plus (+) ECL allowance (grossed up with PPA adjustment)	€ 36,988 million	€ 38,398 million	€ 38,399 million
4	Net Loans	Loans and advances to customers at amortised cost, plus (+) loans and advances to customers mandatorily measured at FVTPL	€ 35,824 million	€ 37,579 million	€ 37,655 million
5	Seasonally adjusted net loans	Total assets excluding (-) the seasonal agri loan (OPEKEPE) IN December each year, at € 951 million as at 31 December 2023. The seasonal agri loan refers to the loan facility provided to the beneficiaris related to subsidies by OPEKEPE, a public sector organization aiming to the prompt distribution of EU subsidies to Greek farmers.	€ 35,824 million	€ 36,629 million	€ 37,655 million
6	Total Assets adjusted	Total assets excluding (-) the seasonal agri loan (OPEKEPE) in December each year. The seasonal agri loan refers to the loan facility provided to the beneficiaries related to subsidies by OPEKEPE, a public sector organization aiming to the prompt distribution of EU subsidies to Greek farmers.	€ 76,983 million	€ 75,500 million	€ 76,626 million

[2]Relevance of use: Standard Banking terminology

Income Statement

No	APM Component	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
1	Impairment charges	Impairment (losses) on loans and advances to customers at amortised cost plus (+) Other credit-risk related expenses on loans and advances to customers at amortised cost. Relevance of use: Standard banking terminology	€ (359) million	€ (559) million	€ (102) million
2	Net Result/ net Profit	Profit / (loss) attributable to the equity holders of the parent. Relevance of use: Profitability metric	€ 299 million	€ 788 million	€ 563 million
3	Extraordinary expenses	Extraordinary expenses for H1.23 include voluntary redundancy costs of € 5 million booked in staff costs. Extraordinary expenses for 2023 include € 62 million voluntary redundancy costs, € 4 million for talent retention and € 15 million reversal of talent retention accruals due to share buyback and € 4 million subsidies to low compensated employees all booked in staff costs, and € 15.5 million donation for extreme weather phenomena booked in G&A costs. For H1.24, extraordinary expenses include € 14 million voluntary redundancy costs booked in staff costs. Relevance of use: Efficiency metric	€ (5) million	€ (71) million	€ (14) million
4	Extraordinary other income	In H1.23 and FY.2023 there was no extraordinary other income booked. In H1.24 € -43 million refer to the expenses related to the public offering of 27% of the Company's shares held by the HFSF. The amount is reflected in line item "Other net income/loss" of the Group's Q1.24 Condensed Interim Financial Statements. Relevance of use: Profitability metric	€ 0 million	€ 0 million	€ (43) million

No	APM Component	APM Definition – Calculation – Relevance of use	H1 2023	FY 2023	H1 2024
5	Extraordinary impairments	In H1.23 and FY.2023, € 202 million and € 253 million respectively ECL impairment losses were related with the NPE reduction plan. In H1.24, € 12 million were related to NPE securitizations or sales. Relevance of use: Standard banking terminology	€ (202) million	€ (253) million	€ (12) million
6	Operating Expenses (OpEx)	Total operating expenses Relevance of use: Efficiency metric	€ (407) million	€ (863) million	€ (406) million

The BoD Report contains financial information and measures as derived from the Group and the Company's Condensed Interim Financial Statements for the periods ended 30 June 2023 and 30 June 2024, which have been prepared in accordance with IFRSs, as endorsed by the EU. Additionally, it contains financial data which is compiled as a normal part of our Financial Statement Closing Process and management information systems. Management believes that the non-IFRS financial measures used, presents a more meaningful analysis of the Group's financial condition and results of operations.

Deloitte Certified Public
Accountants S.A.
3a Fragkokklisias & Granikou str.
Marousi Athens GR 151-25
Greece

Tel: +30 210 6781 100
www.deloitte.gr

Independent Auditor's Review Report

To the Board of Directors of Piraeus Financial Holdings S.A.

Review Report on Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim separate and consolidated statement of financial position of the Company Piraeus Financial Holdings S.A. as of 30 June 2024 and the related separate and consolidated condensed interim statements of income, comprehensive income, changes in equity and cash flow for the six-month period then ended, as well as the selective explanatory notes, which together comprise the six-month condensed interim financial statements and which represent an integral part of the six month financial report provided under Law 3556/2007.

Management is responsible for the preparation and presentation of these condensed interim separate and consolidated financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union and applicable to Interim Financial Reporting (International Accounting Standard "IAS" 34). Our responsibility is to express a conclusion on these condensed interim separate and consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as transposed in Greek legislation, and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim separate and consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Report on Other Legal and Regulatory Requirements

Our review has not revealed any material inconsistency or error in the Statements of the Board of Directors and in the information included in the Board of Directors' Semi-Annual Report provided under articles 5 and 5a of Law 3556/2007 when compared to the accompanying condensed interim separate and consolidated financial statements.

Athens, 31 July 2024

The Certified Public Accountant

Alexandra V. Kostara
Reg. No. SOEL: 19981
Deloitte Certified Public Accountants S.A.
3a Fragoklissias & Granikou Str., 151 25 Maroussi
Reg. No. SOEL: E120

Certified true translation of the original in the Greek language

Alexandra V. Kostara

Condensed Interim Income Statement

€ Million	Note	Group		Company	
		6 month period ended		6 month period ended	
		30/6/2024	30/6/2023	30/6/2024	30/6/2023
Interest and similar income	6	1,582	1,251	53	51
Interest expense and similar charges	6	(536)	(317)	(37)	(35)
NET INTEREST INCOME		**1,045**	**935**	**15**	**16**
Fee and commission income	7	327	264	27	22
Fee and commission expense	7	(43)	(39)	(20)	(14)
NET FEE AND COMMISSION INCOME		**285**	**225**	**7**	**8**
Income from non-banking activities		40	38	-	-
Dividend income	26.2	2	1	26	26
Net gains / (losses) from financial instruments measured at fair value through profit or loss ("FVTPL")		4	10	-	-
Net gains / (losses) from financial instruments measured at fair value through other comprehensive income ("FVTOCI")		5	2	-	-
Net gains / (losses) from derecognition of financial instruments measured at amortised cost		(5)	(2)	24	-
Net gains / (losses) from loss of control over subsidiaries / disposal of associates and joint ventures		(1)	29	-	-
Net other income / (expenses)	8	(57)	1	(38)	(1)
TOTAL NET INCOME		**1,318**	**1,239**	**34**	**50**
Staff costs		(202)	(193)	(1)	(1)
Administrative expenses		(146)	(162)	(3)	(3)
Depreciation and amortization		(58)	(52)	-	-
TOTAL OPERATING EXPENSES		**(406)**	**(407)**	**(5)**	**(4)**
PROFIT BEFORE PROVISIONS, IMPAIRMENT AND OTHER CREDIT-RISK RELATED EXPENSES		**912**	**832**	**29**	**46**
Impairment (losses) / releases on loans and advances to customers at amortised cost	4	(47)	(280)	-	-
Other credit-risk related expenses on loans and advances to customers at amortised cost	9	(54)	(79)	-	-
Impairment (losses) / releases on other assets		(28)	(10)	-	(2)
Impairment (losses) / releases on debt securities measured at FVTOCI		-	(1)	-	-
Impairment of property and equipment and intangible assets		(1)	(22)	-	-
Impairment (losses) / releases on debt securities at amortised cost		-	(5)	(4)	13
Other provision (charges) / releases		(15)	(25)	-	-
Share of profit / (loss) of associates and joint ventures		10	(22)	-	-
PROFIT BEFORE INCOME TAX		**777**	**388**	**25**	**57**
Income tax expense	10	(213)	(90)	-	-
PROFIT FOR THE PERIOD		**564**	**298**	**25**	**57**
Profit attributable to the equity holders of the parent		563	299	-	-
Non controlling interest		1	(2)	-	-
Earnings per share attributable to the equity holders of the parent (in €):					
Total basic and diluted	11	0.45	0.24		

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Condensed Interim Statement of Comprehensive Income

€ Million	Note	Group		Company	
		6 month period ended		6 month period ended	
		30/6/2024	30/6/2023	30/6/2024	30/6/2023
Profit for the period (A)		**564**	**298**	**25**	**57**
Other comprehensive income / (expense), net of tax:					
Items that may be reclassified subsequently to profit or loss					
Change in reserve from debt securities measured at FVTOCI	12	(14)	15	-	-
Change in currency translation reserve	12	(2)	(1)	-	-
Change in cash flow hedge reserve	12	5	-	-	-
Items that will not be reclassified subsequently to profit or loss					
Change in reserve from equity instruments measured at FVTOCI	12	3	(16)	-	-
Change in property revaluation reserve	12	-	1	-	-
Other comprehensive expense, net of tax (B)	12	**(8)**	**(1)**	**-**	**-**
Total comprehensive income, net of tax (A)+(B)		**556**	**297**	**25**	**57**
- Attributable to equity holders of the parent		555	298	-	-
- Non controlling interest		1	(1)	-	-

Condensed Interim Income Statement 3 month period

€ Million	Note	Group		Company	
		3 month period ended		3 month period ended	
		30/6/2024	30/6/2023	30/6/2024	30/6/2023
Interest and similar income	6	801	670	26	26
Interest expense and similar charges	6	(273)	(182)	(19)	(17)
NET INTEREST INCOME		**528**	**488**	**8**	**8**
Fee and commission income	7	182	141	13	11
Fee and commission expense	7	(22)	(21)	(9)	(12)
NET FEE AND COMMISSION INCOME		**159**	**120**	**4**	**(1)**
Income from non-banking activities		20	21	-	-
Dividend income	26.2	2	1	26	26
Net gains / (losses) from financial instruments measured at fair value through profit or loss ("FVTPL")		2	4	-	-
Net gains / (losses) from financial instruments measured at fair value through other comprehensive income ("FVTOCI")		5	1	-	-
Net gains/ (losses) from derecognition of financial instruments measured at amortised cost		1	-	6	-
Net gains/ (losses) from loss of control over subsidiaries/ disposal of associates and joint ventures		-	25	-	-
Net other income/ (expenses)	8	10	2	5	-
TOTAL NET INCOME		**726**	**662**	**48**	**33**
Staff costs		(101)	(97)	(1)	(1)
Administrative expenses		(73)	(78)	(1)	(2)
Depreciation and amortization		(29)	(26)	-	-
TOTAL OPERATING EXPENSES		**(203)**	**(201)**	**(2)**	**(2)**
PROFIT BEFORE PROVISIONS, IMPAIRMENT AND OTHER CREDIT-RISK RELATED EXPENSES		**523**	**461**	**47**	**31**
Impairment (losses) / releases on loans and advances to customers at amortised cost	4	(20)	(223)	-	-
Other credit-risk related expenses on loans and advances to customers at amortised cost	9	(23)	(40)	-	-
Impairment (losses) / releases on other assets		(12)	(2)	-	(2)
Impairment of property and equipment and intangible assets		(1)	(21)	-	-
Impairment (losses) / releases on debt securities at amortised cost		-	(5)	-	13
Other provision (charges) / releases		(2)	(24)	-	-
Share of profit / (loss) of associates and joint ventures		(12)	(12)	-	-
PROFIT BEFORE INCOME TAX		**452**	**134**	**47**	**42**
Income tax expense	10	(121)	(15)	-	-
PROFIT FOR THE PERIOD		**331**	**119**	**47**	**42**
Profit attributable to the equity holders of the parent		330	120	-	-
Non controlling interest		1	(1)	-	-
Earnings per share attributable to the equity holders of the parent (in €):					
Total basic and diluted	11	0.26	0.10		

Condensed Interim Statement of Comprehensive Income

€ Million	Group		Company	
	3 month period ended		3 month period ended	
	30/6/2024	30/6/2023	30/6/2024	30/6/2023
Profit for the period (A)	**331**	**119**	**47**	**42**
Other comprehensive income / (expense), net of tax:				
Items that may be reclassified subsequently to profit or loss				
Change in reserve from debt securities measured at FVTOCI	(10)	14	-	-
Change in currency translation reserve	(1)	(7)	-	-
Items that will not be reclassified subsequently to profit or loss				
Change in reserve from equity instruments measured at FVTOCI	-	(19)	-	-
Other comprehensive expense, net of tax (B)	**(11)**	**(11)**	**-**	**-**
Total comprehensive income, net of tax (A)+(B)	**320**	**108**	**47**	**42**
- Attributable to equity holders of the parent	319	109	-	-
- Non controlling interest	1	(1)	-	-

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Condensed Interim Statement of Financial Position

€ Million	Note	Group		Company	
		30/6/2024	31/12/2023	30/6/2024	31/12/2023
ASSETS					
Cash and balances with Central Banks	19	8,755	10,567	-	-
Due from banks		1,453	1,034	27	34
Financial assets at FVTPL		964	609	-	-
Financial assets mandatorily measured at FVTPL		239	234	-	-
Derivative financial instruments	13	144	191	-	-
Loans and advances to customers at amortised cost	14	37,605	37,527	-	-
Loans and advances to customers mandatorily measured at FVTPL		50	53	-	-
Investment securities	16	14,233	13,042	959	850
Investment property		1,802	1,757	-	-
Investments in subsidiaries	17	-	-	5,566	5,573
Investments in associated undertakings and joint ventures	17	1,269	1,255	-	-
Property and equipment		799	732	1	1
Intangible assets		366	347	-	-
Tax receivables	18	186	161	7	7
Deferred tax assets		5,506	5,703	-	-
Other assets		3,038	2,996	30	37
Assets held for sale	15	218	241	-	-
TOTAL ASSETS		**76,626**	**76,450**	**6,591**	**6,503**
LIABILITIES					
Due to banks	19	3,507	4,618	-	-
Due to customers	20	59,757	59,567	-	-
Derivative financial instruments	13	297	295	-	-
Debt securities in issue	21	2,421	1,886	-	-
Other borrowed funds	22	1,008	939	1,008	939
Current income tax liabilities		14	13	-	-
Deferred tax liabilities		10	9	-	-
Retirement and termination benefit obligations		49	52	-	-
Provisions		126	164	-	-
Other liabilities		1,647	1,459	157	60
Liabilities held for sale		4	-	-	-
Fair Value changes of hedged items in portfolio hedges of interest rate risk	13	(18)	94	-	-
TOTAL LIABILITIES		**68,821**	**69,097**	**1,166**	**999**
EQUITY					
Share capital	24	1,163	1,163	1,163	1,163
Share premium	24	3,255	3,255	3,255	3,255
Other equity instruments		600	600	600	600
Less: Treasury shares		(16)	(15)	(11)	(11)
Other reserves and retained earnings	25	2,746	2,296	418	497
Capital and reserves attributable to the equity holders of the parent		**7,748**	**7,298**	**5,425**	**5,503**
Non controlling interest		56	56	-	-
TOTAL EQUITY		**7,804**	**7,353**	**5,425**	**5,503**
TOTAL LIABILITIES AND EQUITY		**76,626**	**76,450**	**6,591**	**6,503**

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Condensed Interim Statement of Changes in Equity

Group		Attributable to equity shareholders of the parent entity													
€ Million	Note	Share Capital	Share Premium	Other equity instruments	Treasury shares	Currency Translation Reserve	Cash flow hedge reserve	Reserve from financial assets at FVTOCI	Property revaluation reserve	Other reserves	Non-taxed reserves	Retained Earnings	Total	Non controlling interest	Total
Opening balance as at 1/1/2023		**1,163**	**3,555**	**600**	**-**	**(63)**	**-**	**38**	**7**	**118**	**388**	**747**	**6,553**	**28**	**6,581**
Other comprehensive expense, net of tax	12	-	-	-	-	(1)	-	(1)	1	-	-	-	(1)	-	(1)
Profit / (loss), net of tax for the period 1/1 - 30/6/2023		-	-	-	-	-	-	-	-	-	-	299	299	(1)	298
Total comprehensive income / (expense) for the period 1/1 - 30/6/2023		**-**	**-**	**-**	**-**	**(1)**	**-**	**(1)**	**1**	**-**	**-**	**299**	**298**	**(1)**	**297**
Payment to the holders of AT1 capital instrument		-	-	-	-	-	-	-	-	-	-	(26)	(26)	-	(26)
(Purchases) / sales of treasury shares		-	-	-	(3)	-	-	-	-	-	-	1	(2)	-	(2)
Non-taxed reserves		-	-	-	-	-	-	-	-	-	23	(23)	-	-	-
Transfer between other reserves and retained earnings		-	-	-	-	-	-	-	-	1	-	(1)	-	-	-
Transfer of the accumulated reserve from equity securities measured at FVTOCI to retained earnings upon disposal		-	-	-	-	-	-	-	-	-	-	29	29	-	29
Disposals and movements in participating interests		-	-	-	-	-	-	-	-	5	-	(7)	(2)	16	14
Balance as at 30/6/2023		1,163	3,555	600	(3)	(64)	-	38	8	123	411	1,019	6,850	42	**6,893**
Opening balance as at 1/7/2023		**1,163**	**3,555**	**600**	**(3)**	**(64)**	**-**	**38**	**8**	**123**	**411**	**1,019**	**6,850**	**42**	**6,893**
Other comprehensive income / (expense), net of tax		-	-	-	-	-	2	2	1	-	-	(3)	2	-	2
Profit, net of tax for the period 1/7 - 31/12/2023		-	-	-	-	-	-	-	-	-	-	489	489	-	489
Total comprehensive income for the period 1/7 - 31/12/2023		**-**	**-**	**-**	**-**	**-**	**2**	**2**	**1**	**-**	**-**	**486**	**491**	**-**	**491**
Offset of share premium by writing-off accumulated losses		-	(301)	-	-	-	-	-	-	-	-	301	-	-	-
Payment to the holders of AT1 capital instrument		-	-	-	-	-	-	-	-	-	-	(26)	(26)	-	(26)
(Purchases) / sales of treasury shares		-	-	-	(12)	-	-	-	-	-	-	-	(12)	-	(12)
Share based payments		-	-	-	-	-	-	-	-	-	-	1	1	-	1
Transfer between other reserves and retained earnings		-	-	-	-	-	-	-	-	2	-	(2)	-	-	-
Transfer of the accumulated reserve from equity securities measured at FVTOCI to retained earnings upon disposal		-	-	-	-	-	-	-	-	-	-	5	5	-	5
Disposals and movements in participating interests		-	-	-	-	-	-	-	-	2	-	(12)	(10)	13	3
Balance as at 31/12/2023		**1,163**	**3,255**	**600**	**(15)**	**(64)**	**2**	**40**	**9**	**127**	**411**	**1,771**	**7,298**	**56**	**7,353**

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Group		Attributable to equity shareholders of the parent entity													
€ Million	Note	Share Capital	Share Premium	Other equity instruments	Treasury shares	Currency Translation Reserve	Cash flow hedge reserve	Reserve from financial assets at FVTOCI	Property revaluation reserve	Other reserves	Non-taxed reserves	Retained Earnings	Total	Non controlling interest	Total
Opening balance as at 1/1/2024		**1,163**	**3,255**	**600**	**(15)**	**(64)**	**2**	**40**	**9**	**127**	**411**	**1,771**	**7,298**	**56**	**7,353**
Other comprehensive income / (expense), net of tax	12	-	-	-	-	(2)	5	(11)	-	-	-	-	(8)	-	(8)
Profit, net of tax for the period 1/1 - 30/6/2024		-	-	-	-	-	-	-	-	-	-	563	563	1	564
Total comprehensive income/ (expense) for the period 1/1 - 30/06/2024		**-**	**-**	**-**	**-**	**(2)**	**5**	**(11)**	**-**	**-**	**-**	**563**	**555**	**1**	**556**
Payment to the holders of AT1 capital instrument		-	-	-	-	-	-	-	-	-	-	(26)	(26)	-	(26)
Distribution of discretionary reserves to shareholders		-	-	-	-	-	-	-	-	-	(79)	-	(79)	-	(79)
Distribution of discretionary reserves to the Group's staff											(14)	14	-		-
(Purchases) / sales of treasury shares		-	-	-	(1)	-		-	-	-	-	1	-	-	-
Non-taxed reserves		-	-	-	-	-	-	-	-	-	32	(32)	-	-	-
Share based payments		-	-	-	-	-	-	-	-	1	-	-	1	-	1
Transfer between other reserves and retained earnings		-	-	-	-	-	-	-	-	53	-	(53)	-	-	-
Transfer of the accumulated reserve from equity securities measured at FVTOCI to retained earnings upon disposal		-	-	-	-	-	-	-	-	-	-	(2)	(2)	-	(2)
Balance as at 30/6/2024		**1,163**	**3,255**	**600**	**(16)**	**(67)**	**7**	**29**	**9**	**182**	**350**	**2,236**	**7,748**	**56**	**7,804**

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Company € Million	Share Capital	Share Premium	Other equity instruments	Treasury shares	Other reserves	Non-taxed reserves	Retained earnings	Total
Opening balance as at 1/1/2023	**1,163**	**3,555**	**600**	**-**	**96**	**351**	**(301)**	**5,465**
Profit, net of tax for the period 1/1 - 30/6/2023	-	-	-	-	-	-	57	**57**
Total comprehensive income for the period 1/1 - 30/6/2023	**-**	**-**	**-**	**-**	**-**	**-**	**57**	**57**
Payment to the holders of AT1 capital instrument	-	-	-	-	-	-	(26)	(26)
Balance as at 30/6/2023	**1,163**	**3,555**	**600**	**-**	**96**	**351**	**(270)**	**5,495**
Opening balance as at 1/7/2023	**1,163**	**3,555**	**600**	**-**	**96**	**351**	**(270)**	**5,495**
Profit, net of tax for the period 1/7 - 31/12/2023	-	-	-	-	-	-	44	44
Total comprehensive income for the period 1/7 - 31/12/2023	-	-	-	-	-	-	44	**44**
Offset of share premium by writing-off accumulated losses	-	(301)	-	-	-	-	301	-
Payment to the holders of AT1 capital instrument	-	-	-	-	-	-	(26)	(26)
(Purchases) / sales of treasury shares	-	-	-	(11)	-	-	-	(11)
Share based payments	-	-	-	-	-	-	1	1
Balance as at 31/12/2023	**1,163**	**3,255**	**600**	**(11)**	**96**	**351**	**50**	**5,503**
Opening balance as at 1/1/2024	**1,163**	**3,255**	**600**	**(11)**	**96**	**351**	**50**	**5,503**
Profit, net of tax for the period 1/1 - 30/6/2024	-	-	-	-	-	-	25	**25**
Total comprehensive income for the period 1/1 - 30/6/2024	-	-	-	-	-	-	25	25
Distribution of discretionary reserves to shareholders	-	-	-	-	-	(79)	-	(79)
Payment to the holders of AT1 capital instrument	-	-	-	-	-	-	(26)	(26)
Transfer between other reserves and retained earnings	-	-	-	-	5	-	(5)	-
Share based payments	-	-	-	-	1	-	-	1
Balance as at 30/6/2024	**1,163**	**3,255**	**600**	**(11)**	**102**	**272**	**44**	**5,425**

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

Condensed Interim Cash Flow Statement

€ Million	Note	Group 6 month period ended 30/6/2024	Group 6 month period ended 30/6/2023	Company 6 month period ended 30/6/2024	Company 6 month period ended 30/6/2023
Cash flows from operating activities					
Profit before income tax		777	388	25	57
Adjustments to profit before income tax:					
Add: provisions and impairment		91	343	4	(11)
Add: depreciation and amortisation charge		58	52	-	-
Add: retirement benefits, cost of voluntary exit scheme and shared based payment		18	8	-	-
Net (gain) / losses from valuation of financial instruments measured at FVTPL		532	24	-	-
Net (gain) / losses from financial instruments measured at FVTOCI		(5)	(2)	-	-
(Gains) / losses from investing activities and financing acivities		5	(10)	(19)	(26)
Accrued interest from investing and financing activities		87	46	37	35
Cash flows from operating activities before changes in operating assets and liabilities		1,563	849	48	54
Changes in operating assets and liabilities:					
Net (increase)/ decrease in cash and balances with Central Banks		2	(4)	-	-
Net (increase)/ decrease in financial assets measured at FVTPL		(789)	(1,251)	-	-
Net (increase)/ decrease in financial assets mandatorily measured at FVTPL		2	21	-	-
Net (increase)/ decrease in debt securities at amortised cost		(1,973)	(110)	(113)	16
Net (increase)/ decrease in amounts due from banks		129	6	-	-
Net (increase)/ decrease in loans and advances to customers		(107)	1,176	-	-
Net (increase)/ decrease in other assets		(113)	(20)	7	10
Net increase/ (decrease) in amounts due to banks		(1,126)	729	-	-
Net increase/ (decrease) in amounts due to customers		191	17	-	-
Net increase/ (decrease) in other liabilities		(19)	211	18	(17)
Net cash flow from operating activities before income tax payment		(2,240)	1,625	(39)	63
Income tax paid		(6)	(1)	-	-
Net cash inflow / (outflow) from operating activities		**(2,246)**	**1,624**	**(39)**	**63**
Cash flows from investing activities					
Purchases of property and equipment		(69)	(16)	-	-
Proceeds from disposal of property and equipment and intangible assets		15	6	-	-
Purchases of intangible assets		(37)	(41)	-	-
Proceeds from disposal of assets held for sale other than loans and advances to customers		-	3	-	-
Purchases of financial assets at FVTOCI		(233)	(1,026)	-	-
Proceeds from disposal of financial assets at FVTOCI		798	689	-	-
Interest received on financial assets at FVTOCI		19	12	-	-
Acquisition of subsidiaries net of cash and cash equivalents		(24)	(97)	-	-
Proceeds from disposal of subsidiaries, net of cash and cash equivalents disposed, and share capital decreases		-	(4)	8	-
Acquisition, establishment and participation in share capital increases of associates and joint ventures		(8)	(57)	-	-
Proceeds from disposal of associates and share capital decreases		18	50	-	-
Dividends received		19	16	26	26
Net cash inflow/ (outflow) from investing activities		**499**	**(464)**	**34**	**26**
Cash flows from financing activities					
Repayment of AT 1 capital instrument		(26)	(26)	(26)	(26)
Proceeds from issue of debt securities in issue and other borrowed funds		991	-	494	-
Repayment of debt securities in issue and other borrowed funds		(422)	-	(422)	-
Interest paid on debt securities in issue and other borrowed funds		(76)	(71)	(47)	(66)
Proceeds from sales of treasury shares		31	38	-	-
Purchases of treasury shares		(31)	(40)	-	-
Repayment of lease liabilities		(19)	(31)	-	-
Net cash inflow / (outflow) from financing activities		**449**	**(131)**	**(1)**	**(93)**
Effect of exchange rate changes on cash and cash equivalents		15	(18)	-	-
Net increase / (decrease) in cash and cash equivalents (A)		**(1,284)**	**1,011**	**(7)**	**(3)**
Cash and cash equivalents at the beginning of the period (B)	29	**10,242**	**9,401**	**34**	**45**
Cash and cash equivalents at the end of the period (A) + (B)	29	**8,958**	**10,412**	**27**	**42**

The notes on pages 49 to 107 form an integral part of the Condensed Interim Financial Statements

1 General information

Piraeus Financial Holdings S.A. (hereinafter the "Company"), registered under General Commercial Registry ("GEMI") number 225501000, was established in 1916 and its shares are registered and have been listed on the Main Market of the Athens Stock Exchange ("ATHEX") since 1918.

The Company operates in the form of a Société Anonyme, in accordance with the provisions of Greek Law 4548/2018, as currently in force, as well as the applicable regulatory framework on the operation of listed companies. In addition, as a financial holding company, it is subject to the relevant provisions of Law 4261/2014, as amended and in force, and it is directly supervised by the European Central Bank ("ECB").

According to its codified articles of association, the Company's business scope includes, inter alia, activities related to directly and indirectly participating in domestic and/ or foreign legal entities and other entities, undertakings and companies established or to be established, of any form and purpose, undertaking or carrying on insurance intermediation and insurance distribution activities on a retainer, pursuant to the provisions of Greek Law 4583/2018, as in force from time to time, for and on behalf of one or several insurance undertakings (insurance agent), providing insurance advisory services to third parties and to the subsidiaries of the Company, as well as researching, studying and analysing insurance related issues. The Company also provides financial advisory services including planning, development, research, reorganization or resolution, assessment, business strategy, acquisitions, sales, mergers and restructuring of companies, as well as advisory services on private insurance issues.

The Company is incorporated and domiciled in Greece. The address of its registered office is 4 Amerikis str., 105 64, Athens. The duration of the Company lapses on 6 July 2099. The Company and its subsidiaries (hereinafter the "Group") provide services in Southeastern and Western Europe. The key subsidiary of the Group is the credit institution under the name "Piraeus Bank Société Anonyme" (hereinafter the "Bank"), which is headquartered in Athens and generates circa 92% of the Group's revenues offering a full range of financial products and services in Greece. As at 30 June 2024, the headcount of the Group is 7,906 full time equivalents ("FTEs"), of which 34 FTEs refer to operations that are planned to be disposed.

Apart from the ATHEX General Index, the Company is a constituent of other major indices as well, such as FTSE/ATHEX [Large Cap, Banks, Environmental Social Governance ("ESG") Index], FTSE (Emerging Markets, Med 100), MSCI (Emerging Markets, Greece), Stoxx (All Europe TMI, Emerging Markets), S&P (Global, Greece BMI), Vanguard Total International Stock Index Fund, FTSE4Good, Bloomberg Gender Equality, Solactive (ISS ESG EM Net Zero Pathway Index, ISS EM Carbon Reduction & Climate Improvers index), Carbon Disclosure Project ("CDP") and Science Based Targets initiative ("SBTi").

The Board of Directors ("BoD") of the Company which approved, on 30 July 2024, the Condensed Interim Consolidated Financial Statements for the six-month period ended 30 June 2024 (the "Interim Financial Statements"), consists of the following members:

George P. Handjinicolaou	Chairman of the BoD, Non-Executive Member
Karel G. De Boeck	Vice-Chairman of the BoD, Independent Non-Executive Member Senior Independent Director
Christos I. Megalou	Managing Director & Chief Executive Officer ("CEO"), Executive BoD Member
Vasileios D. Koutentakis	Executive BoD Member
Venetia G. Kontogouris	Independent Non-Executive BoD Member
Enrico Tommaso C. Cucchiani	Independent Non-Executive BoD Member
David R. Hexter	Independent Non-Executive BoD Member
Solomon A. Berahas	Independent Non-Executive BoD Member
Andrew D. Panzures	Independent Non-Executive BoD Member
Anne J. Weatherston	Independent Non-Executive BoD Member
Maria I. Semedalas	Independent Non-Executive BoD Member
Alexander Z. Blades	Non-Executive BoD Member
Periklis N. Dontas	Non-Executive BoD Member

According to the Company's articles of association and the current regulatory framework, the members of the Company's BoD are elected by the General Meeting ("GM") of its shareholders and may be re-elected. The term of the members of the BoD may not exceed three (3) years and may be extended until the first ordinary GM convened after such term has elapsed. If a member of the BoD is replaced, then according to the Law, the respective replacement applies solely to the remaining term of the member being replaced. Pursuant to the Annual General Shareholders' Meeting Resolution on 27 June 2023, the term of the current BoD expires on 27 June 2026, extended until the Annual GM of the Company's shareholders, which will be convened after the expiration of its term of office.

2 Summary of material accounting policies

2.1 Basis of preparation

The Interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting and include selected explanatory notes, rather than all the information required for a full set of annual financial statements. Therefore, the Interim Financial Statements should be read in conjunction with the annual financial statements included in the 2023 Annual Financial Report of the Group and the Company, which have been prepared in accordance with International Financial Reporting Standards (hereinafter the "IFRSs"), as endorsed by the European Union (the "EU").

The accounting policies adopted, are consistent with those of the previous financial year, except for the amendments of existing standards effective as at 1 January 2024, as described in Note 2.3.

The amounts are stated in Euro, rounded to the nearest million (unless otherwise stated) for ease of presentation. Any differences between the amounts presented in the primary financial statements and the relevant amounts presented in the accompanying notes, are due to rounding.

The Interim Financial Statements have been prepared under the historical cost convention, except for financial assets and financial liabilities held at FVTPL or at FVTOCI, as presented in the Condensed Interim Statement of Financial Position and the relevant notes, derivative financial instruments and investment property, which have been measured at fair value.

2.2 Going concern

Conclusion

Management has made an assessment on the Group's and the Company's ability to continue as a going concern. Management's assessment considered the Group's principal business risks deriving mainly from the macroeconomic environment in combination with the Group's strategy, its liquidity and capital position. The following were taken into consideration:

a) the resilient economic growth in 2023, which continued in the first semester of 2024 and the prospects for a positive rate of growth of Gross Domestic Product ("GDP") in the medium term, which is expected to remain above the euro area average, mainly driven by the implementation of the National Recovery and Resilience Plan ("RRP"), the inflow of private investments, private consumption, the decelerating level of inflation and the contribution of exports in the current account balance, with strong tourism revenues in particular;

b) the recovery of sovereign credit rating to investment grade status after more than a decade by three (3) major rating agencies, namely S&P, Fitch and DBRS, which reflects on the prudent fiscal policies and the implementation of reforms including, among others, the restructuring of the banking sector;

c) the upgrade of the Group's key subsidiary, Piraeus Bank, to investment grade by Moody's Ratings, with the upgrade of the long-term deposit rating and the senior unsecured rating in particular, as a result of the successful implementation of balance sheet clean-up, overall improved asset quality dynamics, strong core operating profitability with solid prospects and tightened cost management, along with strengthened capital metrics;

d) the Group's effective liquidity risk management, leading to a robust liquidity position as evident by the Liquidity Coverage Ratio ("LCR") as at 30 June 2024, as well as Management's assessment of the impact of stress test scenarios, within the Internal Capital Adequacy Assessment Process ("ICAAP") and Internal Liquidity Adequacy Assessment Process ("ILAAP") framework, on the Group's liquidity position and on mandatory liquidity ratios;

e) the capital adequacy of the Group, which exceeded the Overall Capital Requirements ("OCR") - plus Pillar II Guidance ("P2G") - and the Minimum Requirements for own funds and Eligible Liabilities ("MREL") ratio of Piraeus Bank Group, which complies with the final binding MREL requirement of 27.9%, as at 30 June 2024, proforma for the successful issuance of a green senior preferred bond in July 2024 and the RWAs relief to be completed in the forthcoming period, and after taking into account the revised credit quality step ("CQS") mapping of the ICAP-CRIF external credit assessment institution ("ECAI"). It is estimated that for the next 12 months the Group's capital adequacy ratios and the MREL ratio will remain higher than the required minimum regulatory levels;

f) the possibility of natural disasters as a result of the climate change and the ongoing geopolitical crisis in the Middle East and Ukraine, which pose significant downside risks. The Group's operations in Ukraine comprise a financial institution, namely JSC Piraeus Bank ICB, and investments in real estate assets which represent approximately 0.2% of the total consolidated assets of the Company as at 30 June 2024;

g) the net profit of the Group, attributable to the equity holders of the parent amounted to € 563 million and the Non-Performing Exposures ("NPE") ratio dropping to 3.3% as at 30 June 2024, from 5.5% as at 30 June 2023. NPE (cash) coverage increased to 58.8% at 30 June 2024 versus 57% a year ago.

Based on the analysis performed, Management has concluded that there are no material uncertainties which would cast significant doubt over the ability of the Group to continue to operate as a going concern for a period of 12 months from the date of approval of the Interim Financial Statements. For this reason, the Group and the Company continue to adopt the going concern basis of accounting for preparing the financial statements.

Macroeconomic environment

In 2024, the Greek economy remained on a growth trajectory despite the uncertainty that prevailed in the international environment and the macroeconomic impact of monetary policy in the Eurozone ("EZ"). In the first quarter of 2024, real GDP increased by 2.1%, on an annual basis, a rate that remains significantly higher than the EZ average (0.4%). Private consumption and investment contributed positively to GDP growth. According to the available data for the first half of 2024, the short-term indicators of economic activity and expectations indicate that the Greek economy will maintain its growth momentum. The economic climate index in the first half of 2024 stood at 108.5 points, recording an increase of 1.0% compared to the corresponding period of 2023. During the same period, inflation was limited to 2.8% from 4.2% in the first half of 2023. In the period between January 2024 and May 2024 the unemployment rate, on seasonally adjusted data was 11.0%, while employment increased by 1.9% on an annual basis. Also, the State Budget balance, on a modified cash basis, for the period January to June 2024 presented a deficit of € 2.26 billion, against a deficit of € 2.46 billion for the same period of 2023. The primary surplus widened to € 2.91 billion, against a surplus of € 2.12 billion for the same period in 2023. In the period from January to May 2024, the current account deficit rose by € 1.7 billion year-on-year and stood at € 9.1 billion, due to a deterioration in the balance of goods and, to a lesser extent, the primary income account, which was partly offset by an improvement mainly in the secondary income account and in the balance of services.According to the forecasts of the European Commission ("EC"), economic activity in Greece is expected to increase by 2.2% in 2024 and 2.3% in 2025, continuing to outperform the EZ average, supported by private consumption, exports and investments. Gross fixed capital formation is expected to make the largest contribution to growth in both years, in line with crowding-in effects from the Recovery and Resilience Fund ("RRF"), and the overall significant EU funding, the gradual easing of monetary policy and the improvement in the economic climate after the upgrade of the economy to investment grade status in 2023. The unemployment rate is projected to decrease to 9.7% by 2025. Harmonized Index of Consumer Prices ("HICP") inflation is expected to decrease from 4.2% in 2023 to 2.8% in 2024 and 2.1% in 2025, driven by a significant reduction in energy prices and a decline in food inflation. The primary balance is expected to record a surplus from 1.9% of GDP in 2023 to 2.3% in 2024, and 2.4% of GDP in 2025. The ratio of public debt to GDP decreased to 161.9% in 2023 due to both nominal GDP growth and a primary balance surplus. The said ratio is expected to decline further to 153.9% of GDP in 2024 and 149.3% in 2025.

The growth potentials of the Greek economy depend on the utilization of European funds for the implementation of investment plans and the stimulation of entrepreneurship. The RRF, both in terms of grants and private sector investment through the loan facility, is a key player in the perspective of sustainable development. In this context, the RRF is estimated to contribute decisively to output growth in 2024 and 2025, through investments and reforms to expand productive capacity, strengthen competitiveness and extroversion, address the need for technology adaptation and enhance employment and social cohesion, resulting in higher potential growth. According to the Stability Program 2024 which was submitted on 30 April 2024 to the EC, the investment-to-GDP ratio is set to increase to 17% in 2025 from 14% in 2023, narrowing the distance from the EU and EZ averages (22% in 2023).

On 8 December 2023, the Economic and Financial Affairs Council approved the amended RRP of Greece. The revised plan amounts to € 35.9 billion, with € 18.2 billion in RRF grants and € 17.7 billion in RRF loans. On July 23, 2024, the Commission disbursed to Greece the fourth payment for € 2.3 billion in loans (net of pre-financing) under the RRF. The EC, within the context of the RRF, has disbursed € 17.2 billion to Greece until July 2024, out of which € 9.62 billion in loans. This corresponds to 47% of all the funds in the Greek plan, with 22% of all the milestones and targets in the plan fulfilled.

Overall, it is estimated that until 2027 the country's funding from EU programs [RRF, National Strategic Reference Framework ("NSRF"), Common Agricultural Policy ("CAP") and other European programs] will exceed € 78 billion. In the medium term, the Greek economy should strengthen its resilience, despite the challenges and the unstable global environment, based on a reliable fiscal policy, reform orientation, productive investments and extroversion. Increasing investment, implementing the RRF plan and maintaining the momentum of reforms can ensure sustainable growth in the long term.

However, there are risk factors that could negatively affect developments in the Greek economy and its prospects. Any worsening of the geopolitical crisis in Ukraine and the Middle East increases the risk of energy supply disruptions with a possible impact on energy prices and the overall price level. Slow growth in Europe also poses risks to the country's export performance and the continued recovery of tourism services. Additional risks for the prospects of the Greek economy are the maintenance of the tighter monetary policy that can burden economic activity and weaken the stimulation of investments, as well as delays in the implementation of public and private projects and in meeting the RRF schedule. Finally, environmental challenges and extreme weather events are a growing risk to the economy.

Liquidity

As at 30 June 2024, Group's deposits grew modestly to € 59.8 billion from € 59.6 billion as at 31 December 2023, impacted by subdued credit growth dynamics and asset management product penetration. Nevertheless, the Group's loans-to-deposit ratio stood at 63%, compared to 61% as at 31 December 2023. Following a two year interest rate increase cycle, which brought the ECB's main refinancing rate ("MRO") to 4.50% and the Deposit Facility Rate ("DFR") to 4.00%, on 6 June 2024 the ECB's Governing Council announced it had decided to cut interest rates by 25 basis points for both MRO and DFR.

As at 30 June 2024, the Group's funding under Targeted Longer Term Refinancing Operations ("TLTRO") auctions amounted to € 1.0 billion, following the repayment of € 2.5 billion TLTRO funding in June 2024. In addition, funding from the interbank market increased at € 1.8 billion as at 30 June 2024, compared to € 0.4 billion as at 31 December 2023, mainly attributed to the favourable conditions in the particular market.

As regards the maturity profile of the aforementioned TLTRO funding, the remaining € 1.0 billion matures in December 2024. The Group has the liquidity to repay the upcoming TLTRO maturities due to the ample position of € 8.8 billion in cash and balances with central banks.

The Group's moderately growing deposit base, alongside the active debt capital markets access has improved the Group's funding mix and increased its high-quality liquid assets ("HQLA") buffer. As at 30 June 2024, the Group's LCR stood at 215% (thus, more than double than the regulatory requirement of 100%).

Based on the Group's most recent ILAAP assessment, both the LCR and Net Stable Funding Ratio ("NSFR") ratios are expected to remain above minimum regulatory thresholds throughout the next 12 months.

Capital adequacy

As at 30 June 2024, the Group's total equity amounted to € 7.8 billion. Hence, the Group's Basel III Common Equity Tier 1 ("CET1") as at 30 June 2024 stood at 13.85% and the total capital ratio ("TCR") stood at 18.56%.

The amount of Deferred Tax Assets ("DTA") included in the Group's regulatory capital in accordance with the provisions of Greek Laws 4172/2013, 4302/2014, 4340/2015, stood at € 3.2 billion as at 30 June 2024.

The ECB, through the Supervisory Review and Evaluation Process ("SREP") decision on 30 November 2023, informed Management on the revised OCR levels, effective since 1 January 2024. The Group has to maintain, on a consolidated basis, a Total SREP Capital Requirement ("TSCR") of 11% and an OCR of 14.58% (OCR plus P2G 1.25% at 15.83%), which includes: (a) the minimum Pillar I total capital requirements of 8.00% as per article 92(1) of Regulation 575/2013/EU (Capital Requirements Regulation, "CRR"); (b) the additional Pillar II capital requirement of 3.00% as per article 16(2) of Regulation 1024/2013/EU; (c) the fully loaded capital conservation buffer ("CCB") of 2.50% under Greek Law 4261/2014, (d) the transitional Other Systemically Important Institutions ("O-SII") capital buffer of 1.00% under Greek Law 4261/2014 and (e) the institution-specific Countercyclical Capital Buffer ("CCyB") under Greek Law 4261/2014 (as amended by Greek Law 4799/2021) of 0.08%.

Refer to Note 28 for further details on the Group's capital adequacy.

2.3 Adoption of International Financial Reporting Standards

The Group and the Company reviewed the amendments to existing standards that, have been issued by the International Accounting Standards Board ("IASB"), have been endorsed by the EU as at the date the Interim Financial Statements were issued and are effective from 1 January 2024 and concluded that they did not have an impact on the Interim Financial Statements.

The Group and the Company have not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

In April 2024 and under the Greek Law 5100/2024, the Council Directive (EU) 2022/2523 (Pillar II) was incorporated in the Greek domestic legislation and as a result the amendments introduced by IAS 12, "International Tax Reform – Pillar Two Model Rules", are immediately and retrospectively applicable. Refer to Note 10 for further information.

3 Critical accounting judgements and key sources of estimation uncertainty

In preparing the Interim Financial Statements, Management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant and are reviewed on an ongoing basis. Changes to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period. Actual results may differ from these estimates. The significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty, were the same as those described in the last annual financial statements, except for those presented below. The Group believes that the judgements, estimates and assumptions used in the preparation of the Interim Financial Statements are appropriate.

3.1 Key sources of estimation uncertainty

Macroeconomic factors

The Group prepares forecasts for the possible evolution of macroeconomic variables that affect the level of Expected Credit Losses ("ECL") on loans and advances to customers at amortised cost under multiple economic scenarios. Management assessed and revised its macroeconomic forecasts as at 30 June 2024.

The table below presents the annual average forecasts throughout a four-year time horizon, for each key economic variable and scenario utilized in the ECL calculation of the collectively assessed loans and advances to customers at amortised cost.

ECL Key drivers Scenario	30/6/2024 (2024-2027) %	31/12/2023 (2023-2026) %
Real GDP growth (annual % change)		
Optimistic	4.2	5.4
Base	2.1	3.4
Pessimistic	0.0	1.5
Unemployment rate (% of labour force)		
Optimistic	8.5	9.1
Base	10.6	11.1
Pessimistic	12.6	12.9
Price index (Residential) (annual % change)		
Optimistic	9.2	10.4
Base	7.1	8.6
Pessimistic	5.0	6.7
Price index (Non residential) (annual % change)		
Optimistic	6.9	6.1
Base	4.8	4.1
Pessimistic	2.8	2.1

In 2024, the Greek economy remains on a growth trajectory, despite the uncertainty that prevails in the international environment and the macroeconomic impact of monetary policy in the EZ. In the first quarter of 2024, real GDP increased by 2.1%, on an annual basis, a rate that remains significantly higher than the EZ average (0.4%). Private consumption and investment contributed positively to GDP growth. According to the available data for the first half of 2024, the short-term indicators of economic activity and expectations indicate that the Greek economy will maintain its growth momentum.

During the first half of 2024, inflation was limited to 2.8% from 4.2% in the first half of 2023. In the period between January 2024 to May 2024 the unemployment rate, on seasonally adjusted data, was 11.0%, while employment increased by 1.9% on an annual basis.

In the real estate market, the upward trend in price indices continues. In 2023, the residential real estate price index increased by 13.8% on an annual basis (2022: 11.9%) and in the first quarter of 2024 it recorded an increase of 10.4% on an annual basis. In 2023 the office price index increased by 5.9%, on an annual basis, compared to a 3.6% increase in 2022.

For the macroeconomic environment developments refer also to Note 2.2.

As at 30 June 2024, the Group's forecasts of the economic variables across each scenario for 2024 and 2025 are the following:

ECL Key drivers Scenario	2024			2025		
	Optimistic	Base	Pessimistic	Optimistic	Base	Pessimistic
Real GDP growth (annual % change)	3.5	2.2	0.8	4.0	2.1	0.2
Unemployment rate (% of labour force)	9.5	10.8	12.2	8.7	10.6	12.5
Price index (Non residential) (annual % change)	6.9	5.5	4.2	6.8	4.9	3.0
Price index (Residential) (annual % change)	11.1	9.7	8.4	9.4	7.5	5.6

4 Financial Risk Management

4.1 Fair values of financial instruments

4.1.1 Financial instruments not measured at fair value

The following tables summarise the fair values and carrying amounts of those financial assets and liabilities, which are not measured at fair value on a recurring basis, and their carrying amount is not a reasonable approximation of fair value.

Group	Carrying Amount		Fair Value	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Financial assets				
Loans and advances to customers at amortised cost	37,605	37,527	37,301	37,061
Investment securities at amortised cost	13,483	11,659	12,708	10,785
Financial liabilities				
Debt securities in issue	2,421	1,886	2,513	1,946
Other borrowed funds	1,008	939	1,029	935

Company	Carrying Amount		Fair Value	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Financial assets				
Investment securities at amortised cost	956	848	1,013	878
Financial liabilities				
Other borrowed funds	1,008	939	1,029	935

The following methods and assumptions were used to estimate the fair values of the aforementioned financial instruments as at 30 June 2024 and 31 December 2023.

Loans and advances to customers at amortised cost: Fair value is estimated using discounted cash flow models, taking into account yield curves observable in the market as of the date of the valuation and adjustments for credit risk.

Investment securities at amortised cost, debt securities in issue and other borrowed funds: Fair value is estimated using market prices, or, if such are not available, using discounted cash flow models based on current market interest rates offered for instruments with similar credit quality and duration.

4.1.2 Financial assets and liabilities measured at fair value

Fair value is the price that would be received to sell a financial asset or paid to transfer a liability in an orderly transaction between market participants, at the measurement date, under current market conditions.

IFRS 13 establishes a fair value hierarchy that categorises financial instruments into three levels based on the type of inputs to the valuation techniques used, as follows:

Level 1 inputs comprise unadjusted quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date. Level 1 assets and liabilities include debt and equity securities, as well as derivative contracts that are traded in an active and organized market structure (i.e. exchange listed futures and options). An active market is a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide information on an ongoing basis and are characterized by low bid / ask spreads.

Level 2 inputs comprise observable inputs, other than Level 1 quoted prices, for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for the full term of the instrument. An input is observable if it is developed using market data, such as publicly available information about events or transactions, and reflects the assumptions that market participants would use when pricing the asset or liability. Level 2 assets and liabilities include Over the Counter ("OTC") derivatives and securities whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques with inputs that are observable in the market or can be corroborated by observable market data.

Level 3 inputs refer to unobservable inputs, including the entity's own data which are adjusted, if necessary, to reflect the assumptions market participants would use in the circumstances. An input is unobservable if, in the absence of market data availability, it is developed using the best information available about the assumptions that market participants would use when pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques with inputs that require significant management judgement or estimation. OTC complex derivatives transactions or structured securities, which are valued using a non-market standard model, comprising substantial model uncertainty, are classified as level 3 instruments.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The level of the fair value hierarchy within which the fair value measurement is categorized, is determined on the basis of the lowest input that is significant to the fair value measurement. For this purpose, the significance of an input as well as model uncertainty are assessed against the entire fair value measurement of the instrument.

The following table presents the fair value by hierarchy, of the financial assets and liabilities which are measured at fair value, on a recurring basis, and continue to be recognized, in their entirety, on the Group´s and the Company's Condensed Interim Statement of Financial Position at the end of the reporting period, by fair value hierarchy level:

Financial instruments measured at fair value and basis of valuation								
Group	**30/6/2024**				**31/12/2023**			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Derivative financial instruments	-	144	-	**144**	-	191	-	**191**
Financial assets at FVTPL	952	12	-	**964**	598	11	-	**609**
Financial assets mandatorily measured at FVTPL	126	-	113	**239**	118	-	116	**234**
Loans and advances to customers mandatorily measured at FVTPL	-	-	50	**50**	-	-	53	**53**
Investment securities measured at FVTOCI	727	-	23	**750**	1,322	39	22	**1,383**
Financial liabilities								
Derivative financial instruments	-	297	-	**297**	-	295	-	**295**

Financial instruments measured at fair value and basis of valuation								
Company	**30/6/2024**				**31/12/2023**			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Investment securities at FVTOCI	-	-	3	**3**	-	-	2	**2**

Transfers between Level 1 and Level 2

Within the six-month period ended 30 June 2024, Greek Government Bond ("GGB") measured at FVTPL with a carrying amount of € 1 million was transferred from Level 1 to Level 2, due to change in its trading activity, while no transfers from level 2 to level 1 occurred during the period ended 30 June 2024. There were no transfers of financial liabilities between Level 1 and Level 2 during the period ended 30 June 2024 and 31 December 2023. Transfers between levels of fair value hierarchy are deemed to have occurred at the end of the reporting period, in which the financial instruments were transferred.

Level 3 financial instruments

Level 3 financial instruments include:

a) Credit impaired loans and advances to customers, which are mandatorily measured at FVTPL because their contractual cash flows are not Solely Payments of Principal and Interest ("SPPI"), are valued using an income approach expected cash flow (expected present value) technique incorporating unobservable inputs.

b) Financial assets mandatorily measured at FVTPL, including contingent and variable consideration assets recognized following the disposal of NPE portfolios, the fair value of which was estimated at € 58 million (i.e. Senna, Sunshine), for which the models used to estimate their fair value utilize significant unobservable inputs (e.g. discount rate, volatility, expected cash flows etc.).

c) Mutual funds and closed end funds, which do not meet the definition of an equity instrument under IAS 32 and are mandatorily measured at FVTPL, for which the models used to estimate the fair value are price-based and the price is obtained from the fund manager.

d) Equity securities at FVTOCI and FVTPL, which are not traded in active markets and their fair value is estimated on the basis of the available information using an income or market approach, for which the main inputs used are earnings forecasts, comparable multiples, net asset value, adjusted equity and other parameters which are not market observable, as well as estimations that may adjust these values.

e) Contingent convertible instruments for which the trigger of conversion to equity is based on non-market observable triggers.

f) Subordinated notes of the Sunrise I, II and III, Phoenix and Vega I, II, III securitizations retained by the Group as at 30 June 2024 classified within line item "Loans and advances to customers mandatorily measured at FVTPL", which have been valued using multiple valuation techniques incorporating significant unobservable inputs.

During the period ended 30 June 2024 and the year ended 31 December 2023, there were no transfers into or out of Level 3. The following table presents a reconciliation of Level 3 fair value measurements for the aforementioned periods:

Group	Movement of Level 3 instruments		
	Financial assets mandatorily measured at FVTPL	Loans and advances to customers mandatorily measured at FVTPL	Investment Securities measured at FVTOCI
Opening balance as at 1/1/2023	**78**	**52**	**25**
Gain / (loss) recognised in the income statement or OCI	(13)	1	(2)
Additions	86	1	2
Derecognitions	(35)	(1)	(3)
Closing Balance as at 31/12/2023	**116**	**53**	**22**
Gain / (loss) recognised in the income statement or OCI	2	1	1
Additions	6	-	-
Derecognitions	(12)	(4)	-
FX differences	1	-	-
Closing Balance as at 30/6/2024	**113**	**50**	**23**

Company	Reconciliation of Level 3 Instruments Investment Securities measured at FVTOCI
Opening Balance as at 1/1/2023	**2**
Closing Balance as at 31/12/2023	**2**
Gain / (loss) recognised in the income statement	1
Closing Balance as at 30/6/2024	**3**

Valuation Process and Control Framework

The Group has established appropriate processes and internal controls to ensure that the fair values of its financial assets and liabilities are reasonably estimated. The fair value measurements are determined by functions of the Group that are independent of the Risk Management Unit.

The fair values of bonds are determined either by reference to prices for traded instruments in active markets, to external quotations or widely accepted financial models, which are based on market observable or unobservable information where the former is not available, as well as relevant market based parameters such as interest rates, option volatilities, currency rates, etc. The Group may, sometimes, also utilize third-party pricing information and perform validating procedures on this information to the extent possible or base its fair value on the latest transaction prices available, given the absence of an active market or similar transactions or other market observable inputs. Such instruments are categorised within the lowest level of the fair value hierarchy (i.e. Level 3). The fair value measurement of debt securities, including significant inputs on the valuation models, is performed by Middle Office and independently validated by Group Risk Management ("GRM") on a systematic basis.

The Group mainly engages in plain vanilla derivative products, hence, the valuation models utilised are fairly standard across the industry. Inputs to valuation models are determined based on market observable information wherever possible. Counterparty Credit Risk ("CCR") adjustments are applied on all OTC derivatives. The Group calculates a separate Credit Value Adjustment ("CVA") for each counterparty to which the Group has exposure. The CVA is estimated considering expected exposures generated using simulation techniques (i.e. Monte Carlo simulation), as well as International Swaps and Derivatives Association ("ISDA") master netting agreements and collateral postings under Credit Support Annex ("CSA") contracts. With respect to own credit risk, the Group estimates a Debt Value Adjustment ("DVA") by applying a methodology symmetric to the one applied for CVA. The bilateral CVA ("BCVA") is based on implied probabilities of default, derived from credit default swaps ("CDS") spreads observed in the market, or, if these are not available, from appropriate proxies. As at 30 June 2024 and 31 December 2023, the BCVA was immaterial.

On a systematic basis, adequate control procedures are in place for the validation of these models, including the valuation inputs. The Group's Middle Office and GRM provide the control valuation framework necessary to ensure that the fair values are reasonably determined, reflecting current market circumstances and economic conditions. Furthermore, under European Markets and Infrastructure Regulation ("EMIR"), the valuation of interbank OTC derivatives is reconciled on a daily basis with counterparties' valuations, under the daily collateral management process.

Quantitative information for the Level 3 fair value measurement as at 30 June 2024 and 31 December 2023

Financial instruments[1]	Fair Value 30/6/2024	Fair Value 31/12/2023	Valuation Technique	Significant Unobservable Input	Range of Inputs 30/6/2024 Low	Range of Inputs 30/6/2024 High	Range of Inputs 31/12/2023 Low	Range of Inputs 31/12/2023 High
Financial assets mandatorily measured at FVTPL – Contingent & variable considerations	58	67	Monte Carlo simulation Discounted Cash Flows	Revenue volatility Discount rate Risk premium Expected cash flows	15% 14% 6% n/a[2]	15% 14% 6% n/a[2]	15% 14% 6% n/a[2]	15% 14% 6% n/a[2]
Financial assets mandatorily measured at FVTPL and FVTOCI – equity securities, mutual funds	75	70	Income, market approach	n/a[3]	n/a[3]	n/a[3]	n/a[3]	n/a[3]
Loans and advances to customers mandatorily measured at FVTPL – Other than subordinated Notes	44	47	Discounted Cash Flows	Credit risk adjusted expected cash flows	0%[4]	100%[4]	0%[4]	100%[4]

[1] Includes financial instruments with an individual fair value higher than € 5 million at the end of the reporting period.

[2] The expected Cash Flows throughout the earn-out calculation period are commercially sensitive and are not included in the table, given that disclosing them would be detrimental to the Group's interests.

[3] Mainly refers to equity participations of the Group in the share capital of private companies, thus the respective shares are not traded in active markets. In the absence of an active market, the fair value of these securities is estimated using an income or market valuation approach. Given the bespoke nature of the valuation method in respect of each equity shareholding, it is not practicable to quote a range of unobservable inputs. The changes in the value do not materially affect the Group´s results and assets.

[4] Represented as percentage of the loan's gross carrying amount.

Reasonably possible assumptions, other than the aforementioned used for determining unobservable inputs of Level 3 instruments, would not have a significant effect on the Group's financial assets and liabilities measured at fair value on a recurring basis.

4.2 Credit Risk Management

4.2.1 Loans and advances to customers at amortised cost

For credit risk management purposes, the Group monitors its credit risk exposure on all acquired loans and advances to customers at amortised cost on a gross basis, i.e. the Exposure at Default ("EAD") is grossed up with the unamortised purchase price allocation adjustment (the "PPA adjustment") as at the reporting date.

For the purposes of this disclosure, gross carrying amount is defined as the amortised cost, before adjusting for any loss allowance, grossed up with the PPA adjustment. Similarly, the ECL allowance for impairment losses presented in the following tables includes the PPA adjustment. As such, the gross carrying amount and ECL allowance for impairment losses presented below does not reconcile to Note 14.

The Company has no loans and advances to customers at amortized cost as at 30 June 2024 and 31 December 2023.

Loans and advances to customers at amortised cost for the Group as at 30 June 2024 and 31 December 2023 are summarised as follows:

Group 30/6/2024	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit impaired Lifetime ECL	Purchased or Originated Credit Impaired ("POCI") Lifetime ECL	Total
Mortgages					
Gross carrying amount	4,602	1,282	255	281	**6,420**
Less: ECL Allowance for impairment losses	(4)	(13)	(23)	(6)	**(46)**
Total Mortgages	**4,598**	**1,269**	**232**	**275**	**6,374**
Consumer, Personal and Other loans					
Gross carrying amount	959	183	64	49	**1,254**
Less: ECL Allowance for impairment losses	(7)	(20)	(32)	(5)	**(65)**
Total Consumer, Personal and Other	**951**	**163**	**31**	**44**	**1,189**
Credit Cards					
Gross carrying amount	307	143	14	1	**464**
Less: ECL Allowance for impairment losses	(2)	(9)	(12)	-	**(23)**
Total Credit Cards	**305**	**133**	**3**	**-**	**441**
Retail Lending					
Gross carrying amount	5,867	1,607	333	330	**8,138**
Less: ECL Allowance for impairment losses	(13)	(43)	(67)	(11)	**(134)**
Total Retail Lending	**5,854**	**1,565**	**266**	**319**	**8,004**
Large Corporate Lending					
Gross carrying amount	19,798	605	315	71	**20,790**
Less: ECL Allowance for impairment losses	(19)	(6)	(188)	(10)	**(223)**
Total Large Corporate Lending	**19,779**	**600**	**127**	**62**	**20,567**
SMEs Lending					
Gross carrying amount	7,843	822	487	160	**9,312**
Less: ECL Allowance for impairment losses	(17)	(53)	(258)	(58)	**(385)**
Total SMEs Lending	**7,826**	**769**	**229**	**102**	**8,927**
Public Sector Lending					
Gross carrying amount	105	-	1	2	**108**
Less: ECL Allowance for impairment losses	-	-	(1)	-	**(1)**
Total Public Sector Lending	**104**	**-**	**-**	**2**	**107**
Corporate and Public Sector Lending					
Gross carrying amount	27,746	1,428	803	233	**30,210**
Less: ECL Allowance for impairment losses	(36)	(59)	(447)	(67)	**(608)**
Total Corporate and Public Sector	**27,710**	**1,369**	**355**	**166**	**29,602**
Loans and advances to customers at amortised cost					
Gross carrying amount	33,614	3,036	1,136	563	**38,348**
Less: ECL Allowance for impairment losses	(49)	(101)	(513)	(79)	**(743)**
Total Loans and advances to customers at amortised cost	**33,564**	**2,934**	**622**	**484**	**37,605**

Group 31/12/2023	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit impaired	POCI Credit impaired	Total
Mortgages					
Gross carrying amount	4,431	1,514	221	287	**6,454**
Less: ECL Allowance for impairment losses	(3)	(15)	(17)	(6)	**(42)**
Total Mortgages	**4,428**	**1,499**	**204**	**281**	**6,412**
Consumer, Personal and Other loans					
Gross carrying amount	900	221	52	51	**1,224**
Less: ECL Allowance for impairment losses	(7)	(22)	(27)	(5)	**(61)**
Total Consumer, Personal and Other	**892**	**199**	**25**	**46**	**1,162**
Credit Cards					
Gross carrying amount	326	100	11	1	**437**
Less: ECL Allowance for impairment losses	(2)	(7)	(9)	-	**(18)**
Total Credit Cards	**324**	**93**	**2**	**-**	**419**
Retail Lending					
Gross carrying amount	5,657	1,835	284	339	**8,115**
Less: ECL Allowance for impairment losses	(12)	(44)	(53)	(12)	**(122)**
Total Retail Lending	**5,644**	**1,791**	**231**	**327**	**7,993**
Large Corporate Lending					
Gross carrying amount	18,915	606	382	86	**19,988**
Less: ECL Allowance for impairment losses	(17)	(8)	(233)	(19)	**(278)**
Total Large Corporate Lending	**18,897**	**598**	**148**	**67**	**19,710**
SMEs Lending					
Gross carrying amount	7,647	904	513	179	**9,244**
Less: ECL Allowance for impairment losses	(18)	(53)	(283)	(64)	**(419)**
Total SMEs Lending	**7,629**	**851**	**230**	**115**	**8,825**
Public Sector Lending					
Gross carrying amount	996	-	1	2	**999**
Less: ECL Allowance for impairment losses	(0)	-	(1)	-	**(1)**
Total Public Sector Lending	**996**	**-**	**-**	**2**	**998**
Corporate and Public Sector Lending					
Gross carrying amount	27,558	1,511	895	267	**30,231**
Less: ECL Allowance for impairment losses	(36)	(61)	(517)	(83)	**(697)**
Total Corporate and Public Sector	**27,523**	**1,449**	**378**	**183**	**29,534**
Loans and advances to customers at amortised cost					
Gross carrying amount	33,215	3,346	1,180	605	**38,346**
Less: ECL Allowance for impairment losses	(48)	(106)	(571)	(95)	**(819)**
Total Loans and advances to customers at amortised cost	**33,167**	**3,240**	**609**	**510**	**37,527**

Stage 1 exposures presented under note line "Large corporate lending" include Collateralised loan obligations ("CLOs") with a gross carrying amount of € 509 million as at 30 June 2024 (31 December 2023: € 466 million). The corresponding ECL, for both periods is immaterial. Refer also to Note 14.

The movement of the ECL allowance for impairment losses on loans and advances to customers at amortised cost for the Group, for the six month period ended 30 June 2024 and 2023, is as follows:

Movement in ECL allowance	Group				
	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance as at 1/1/2024	48	106	571	95	**819**
Transfer (to) / from Held for Sale	-	(1)	(21)	-	**(22)**
Transfers between stages (net)	12	7	(19)	-	**-**
ECL impairment charge / (release) for the period (P&L)	3	(7)	60	(9)	**47**
Change in the present value of the allowance	-	-	21	3	**24**
Write-off of interest recognised from change in the present value of the allowance	-	-	(20)	(3)	**(23)**
Write-offs	(4)	-	(33)	(7)	**(44)**
FX differences and other movements	(11)	(2)	(45)	(1)	**(59)**
ECL allowance as at 30/6/2024	**49**	**101**	**513**	**79**	**743**

Movement in ECL allowance	Group				
	Stage 1	Stage 2	Stage 3	POCI	Total
ECL allowance as at 1/1/2023	**37**	**120**	**1,115**	**148**	**1,421**
Transfer (to) / from Held for Sale	-	(2)	(180)	(19)	**(201)**
Transfers between stages (net)	13	(8)	(5)	-	**-**
ECL impairment charge / (release) for the period (P&L)	(7)	2	291	(8)	**280**
Change in the present value of the allowance	-	-	26	5	**31**
Write-off of interest recognised from change in the present value of the allowance	1	-	(26)	(4)	**(30)**
Write-offs	(1)	(1)	(144)	-	**(146)**
Disposals of loans and advances	-	-	(8)	(6)	**(14)**
FX differences and other movements	4	1	(205)	11	**(188)**
ECL allowance as at 30/6/2023	**47**	**113**	**864**	**127**	**1,153**

The table below presents the impact from the modification of contractual terms for Group loans and advances to customers measured on lifetime ECL at the end of 30 June 2024 and 2023.

	30/6/2024	30/6/2023
Gross modification impact before reversal of ECL allowance (A)	(1)	1
Reversal of ECL allowance (B)	(8)	(11)
Net modification impact in P&L (A+B)	**(9)**	**(10)**
Gross carrying amount of loans before modification	**433**	**462**

The gross carrying amount of modified loans initially measured using lifetime ECL (Stage 3 and Stage 2) and currently measured using 12 month ECL (Stage 1) as at 30 June 2024 amounted to € 95 million (30 June 2023: € 185 million).

4.2.2 Receivables from the Greek Public Sector

The following table presents the carrying amount of the Group's and the Company's receivables from the Greek Public Sector.

	Group		Company	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Derivative financial instruments	14	43	-	-
Debt securities at FVTPL	562	475	-	-
Loans and advances at amortised cost	107	998	-	-
Debt securities at amortised cost	8,721	7,713	-	-
Debt securities at FVTOCI	554	1,038	-	-
Other assets	678	692	8	7
Total	**10,634**	**10,960**	**8**	**7**

The decrease in the carrying amount of line item "Loans and advances at amortised cost" by € 891 million is mainly due to the decrease of the funding facility to OPEKEPE by € 886 million.

During the period ended 30 June 2024, the Group purchased GGBs of nominal value € 1,210 million, which were classified at amortised cost. Refer to Note 16 for further information.

5 Segment analysis

The CEO, supported by the Group Executive Committee members, is considered the Chief Operating Decision Maker for the purposes of identifying the Group's reportable segments.

The Group manages its business through the following reportable segments:

Retail Banking – Includes Mass, Affluent, Small Businesses, International Business Unit ("IBU") and Public core customer segments, as well as channels of banking activity (i.e. branches, e-branches, ATMs etc).

Corporate Banking – Includes Large Corporates, Shipping, Small and Medium Entities ("SMEs") and Agricultural Core customer segments.

Piraeus Financial Markets ("PFM") – Covers the Fixed Income, Foreign Exchange, Treasury activities (managing the interest rate gap resulting from all banking activities) and Institutional Clients.

Other – Includes all management related activities not allocated to specific customer segments, management of Real Estate Owned ("REO") assets, Wealth and Asset Management ("WAM") activities, certain equity participations of the Group, and funding transactions approved by the Asset and Liability Management Committee ("ALCO").

NPE Management Unit ("NPE MU") – Manages any NPE assessed as non-core business, regardless of whether the said exposures are serviced by the Group or third parties. This reportable segment also includes the senior and subordinated notes issued by the Phoenix, Vega I, II, III, Sunrise I, II and III securitization Special Purpose Vehicles ("SPVs") and retained by the Group. The fees payable for servicing the Group's NPE portfolio are recognized in this segment. Furthermore, the respective segment includes certain equity participations classified at FVTOCI or FVTPL and certain associates (i.e. Strix Asset Management Ltd, Strix Holdings LP and Strix Holdings II LP).

Business segments include internal allocations of income and expense based on an internally approved methodology. These allocations include, inter-alia, the costs of certain support services and functions to the extent that they can be meaningfully attributed to the reportable business segments. Such allocations are made on a systematic and consistent basis and involve a degree of subjectivity. Costs that are not allocated to business segments are included in Corporate Centre (reported under business segment "Other").

Where relevant, income and expense amounts presented include the results of inter-segment funding along with inter-company and inter-business line transactions. All inter-company transactions between business segments are conducted on an arm's length basis and inter-segment transactions and balances are eliminated within each relevant segment.

An analysis of the results and other financial information per business segment of the Group is presented below.

1/1 - 30/6/2024	"Core" Segments					NPE MU	Group
	Retail Banking	Corporate Banking	PFM	Other	Total		
Net interest income	537	329	196	(2)	1,060	(15)	1,045
Net fee and commission income	150	111	7	14	282	3	285
Income from non-banking activities	-	-	-	37	37	2	40
Net gains / (losses) from derecognition of financial instruments measured at amortised cost	(2)	(3)	-	1	(4)	(1)	(5)
Net other income / (expenses)	(19)	(9)	1	(15)	(43)	(4)	(47)
Total Net Income / (expenses)	**666**	**428**	**204**	**36**	**1,332**	**(15)**	**1,318**
Total operating expenses	(213)	(88)	(22)	(65)	(388)	(18)	(406)
Profit / (loss) before provisions, impairment and other credit-risk related expenses	**452**	**340**	**182**	**(29)**	**945**	**(32)**	**912**
Impairment (losses) / releases on loans and advances to customers at amortised cost	(20)	(21)	-	3	(38)	(10)	(47)
Other credit-risk related expenses on loans and advances to customers at amortised cost	(11)	(16)	-	-	(27)	(27)	(54)
Impairment (losses)/ releases on other assets	-	-	-	(21)	(21)	(7)	(28)
Impairment of property and equipment and intangible assets	-	-	-	(1)	(1)	-	(1)
Other provision (charges) / releases	-	(1)	-	(14)	(15)	-	(15)
Share of profit / (loss) of associates and joint ventures	-	-	-	(4)	(4)	15	10
Profit / (loss) before income tax	**421**	**302**	**182**	**(67)**	**838**	**(61)**	**777**
Income tax expense							(213)
Profit for the period							**564**
As at 30/6/2024							
Total assets (excluding assets held for sale and investments in associates and joint ventures)	11,903	23,072	26,258	6,451	67,684	7,455	75,138
Assets held for sale	1	19	-	17	37	181	218
Investments in associates and joint ventures	-	-	-	54	54	1,215	1,269
Total assets	11,905	23,091	26,258	6,521	67,775	8,851	76,626
Total liabilities	44,910	15,157	4,796	3,396	68,259	562	68,821

1/1 - 30/6/2023	"Core" Segments					NPE MU	Group
	Retail Banking	Corporate Banking	PFM	Other	Total		
Net interest income	434	298	172	40	944	(9)	**935**
Net fee and commission income	118	91	5	7	222	3	**225**
Income from non-banking activities	-	-	-	35	35	3	**38**
Net gains / (losses) from derecognition of financial instruments measured at amortised cost	-	-	-	-	-	(2)	**(2)**
Net other income / (expenses)	1	1	16	5	23	20	**43**
Total Net Income	**553**	**390**	**193**	**87**	**1,223**	**15**	**1,239**
Total operating expenses	(209)	(95)	(22)	(57)	(383)	(24)	**(407)**
Profit / (loss) before provisions, impairment and other credit-risk related expenses	**344**	**295**	**171**	**30**	**840**	**(9)**	**832**
Impairment (losses) / releases on loans and advances to customers at amortised cost	11	(68)	-	(5)	(62)	(218)	**(280)**
Other credit-risk related expenses on loans and advances to customers at amortised cost	(20)	(23)	-	-	(43)	(36)	**(79)**
Impairment (losses)/ releases on other assets	-	-	-	(10)	(10)	-	**(10)**
Impairment (losses) / releases on debt securities measured at FVTOCI	-	-	(1)	-	(1)	-	**(1)**
Impairment of property and equipment and intangible assets	-	-	-	(1)	(1)	(21)	**(22)**
Impairment (losses)/ releases on debt securities at amortised cost	-	-	(5)	-	(5)	-	**(5)**
Other provision (charges) / releases	1	(1)	-	(21)	(21)	(3)	**(25)**
Share of profit / (loss) of associates and joint ventures	-	-	-	(3)	(3)	(20)	**(22)**
Profit / (loss) before income tax	**336**	**203**	**166**	**(10)**	**695**	**(307)**	**388**
Income tax expense							(90)
Profit for the period							**298**
As at 31/12/2023							
Total assets (excluding assets held for sale and investments in associates and joint ventures)	11,953	22,724	26,091	6,526	67,294	7,660	**74,955**
Assets held for sale	1	4	-	-	5	236	**241**
Investments in associates and joint ventures	-	-	-	37	37	1,218	**1,255**
Total assets	11,955	22,727	26,091	6,563	67,337	9,114	**76,450**
Total liabilities	44,842	14,585	5,954	3,202	68,583	514	**69,097**

6 Net interest income

	Group		Company	
	1/1 - 30/6/2024	1/1 - 30/6/2023	1/1 - 30/6/2024	1/1 - 30/6/2023
Interest and similar income				
Debt securities measured at FVTOCI	19	15	-	-
Debt securities at amortised cost	162	121	53	51
Loans & advances to customers at amortised cost & reverse repos	1,017	863	-	-
Due from banks	16	13	-	-
Other	216	141	-	-
Total interest income for financial instruments not measured at FVTPL	**1,429**	**1,153**	**53**	**51**
Financial instruments measured at FVTPL	18	16	-	-
Derivative financial instruments	134	82	-	-
Total interest and similar income	**1,582**	**1,251**	**53**	**51**
Interest expense and similar charges				
Due to customers and repurchase agreements	(190)	(87)	-	-
Debt securities in issue and other borrowed funds	(103)	(59)	(37)	(35)
Due to banks	(119)	(111)	-	-
Contribution of Law 128/75	(25)	(27)	-	-
Other	(1)	(1)	-	-
Total interest expense from financial instruments not measured at FVTPL	**(438)**	**(285)**	**(37)**	**(35)**
Derivative financial instruments	(99)	(31)	-	-
Total interest expense	**(537)**	**(317)**	**(37)**	**(35)**
Net interest income	**1,045**	**935**	**15**	**16**

The increase in line item "Loans & advances to customers at amortised cost & reverse repos" for the period ended 30 June 2024 compared to the period ended 30 June 2023 is mainly due to interest rate increases of floating rate loans, following the consecutive ECB interest rate hikes over the last year.

Furthermore, the increase in line item "Due to customers and repurchase agreements" is mostly attributable to the gradual rise in interest rates of term deposits.

In addition, the increase in line item "Debt securities at amortised cost" was mainly driven by increased positions in investment securities, partially offset by increased interest expense recognised in connection with the new Senior Preferred Bonds issued by the Bank, which is included in line item "Debt securities in issue and other borrowed funds".

Line item "Other" includes interest and similar income of € 201 million (30 June 2023: € 120 million) generated from the use of Eurosystem's deposit facility, corresponding to overnight deposits with the Central Bank remunerated with the applicable DFR, which stands at 3.75% since 12 June 2024.

Line item "Due to banks" under interest expense and similar charges includes the interest expense from ECB funding, specifically within the context of the TLTRO III program, amounting to € 69 million (30 June 2023: € 76 million).

7 Net fee and commission income

	Group		Company	
	1/1 - 30/6/2024	1/1 - 30/6/2023	1/1 - 30/6/2024	1/1 - 30/6/2023
Fee and commission income				
Commercial banking	277	232	27	22
Investment banking	22	12	-	-
Asset management	28	20	-	-
Total fee and commission income	**327**	**264**	**27**	**22**
Fee and commission expense				
Commercial banking	(37)	(34)	(20)	(14)
Investment banking	(5)	(4)	-	-
Asset management	(1)	-	-	-
Total fee and commission expense	**(43)**	**(39)**	**(20)**	**(14)**
Net fee and commission income	**285**	**225**	**7**	**8**

a. Fee and commission income

The Group and the Company classify revenue from contracts with customers based on the type of services provided. Management believes that this classification reflects how the nature, quantity, timing and uncertainty of the Group's and the Company’s income and cash flows are affected by financial factors.

The tables below present total fee and commission income from contracts with customers of the Group and the Company, for the six-month periods ended 30 June 2024 and 2023, per product type and per business segment.

Group	Total Fee and Commission income					
1/1 - 30/6/2024	**Retail Banking**	**Corporate Banking**	**PFM**	**Other**	**NPE MU**	**Total**
Acquiring	1	1	-	-	-	**2**
Asset management/Brokerage	23	1	7	13	-	**44**
Bancassurance	23	3	-	5	-	**31**
Cards Issuance	55	7	-	-	1	**63**
Deposits Commissions	5	1	-	-	-	**5**
Funds Transfer	31	17	-	8	1	**57**
Letters of Guarantee	1	23	-	-	1	**25**
Loans and advances to customers	6	48	-	-	-	**54**
Payments	10	2	-	1	-	**13**
FX fees	11	4	-	-	-	**15**
Other	8	8	-	1	-	**17**
Total	**175**	**114**	**7**	**28**	**3**	**327**

Company	Total Fee and Commission income					
1/1 - 30/6/2024	**Retail Banking**	**Corporate Banking**	**PFM**	**Other**	**NPE MU**	**Total**
Bancassurance	20	3	-	4	-	**27**
Total	**20**	**3**	**-**	**4**	**-**	**27**

Group	Total Fee and Commission income					
1/1 - 30/6/2023	**Retail Banking**	**Corporate Banking**	**PFM**	**Other**	**NPE MU**	**Total**
Acquiring	-	-	-	-	-	**-**
Asset management/Brokerage	17	1	5	8	-	**31**
Bancassurance	19	3	-	3	-	**26**
Cards Issuance	33	5	-	-	1	**39**
Deposits Commissions	4	1	-	-	-	**5**
Funds Transfer	29	9	-	4	1	**43**
Letters of Guarantee	1	20	-	-	1	**22**
Loans and advances to customers	6	47	-	-	-	**54**
Payments	10	2	-	1	-	**13**
FX fees	10	4	-	-	-	**15**
Other	10	3	-	2	-	**15**
Total	**142**	**94**	**5**	**18**	**3**	**264**

Company	Total Fee and Commission income					
1/1 - 30/6/2023	Retail Banking	Corporate Banking	PFM	Other	NPE MU	Total
Bancassurance	17	2	-	2	-	22
Total	**17**	**2**	**-**	**2**	**-**	**22**

b. Other income, within the scope of IFRS 15

As presented in the tables below, other income that falls within the scope of IFRS 15, corresponding to contracts with customers of the Group, for the six-month periods ended 30 June 2024 and 2023, amounted to € 16 million and € 53 million, respectively. The corresponding amount for the Company for the period ended 30 June 2024 is € 4 million. The said amounts are recognised in line item "Net other income / (expenses)" of the Condensed Interim Income Statement, which also includes other non operating expenses, as well as losses from the sale and valuation of investment property and other assets.

Group	Other Income					
1/1 - 30/6/2024	Retail Banking	Corporate Banking	PFM	Other	NPE MU	Total
Other operating income	-	-	-	11	-	11
Gain from sale of investment property	-	-	-	1	-	1
Gain from sale of other assets	-	-	-	4	-	4
Total	**-**	**-**	**-**	**16**	**-**	**16**

Company	Other Income					
1/1 - 30/6/2024	Retail Banking	Corporate Banking	PFM	Other	NPE MU	Total
Other operating income	-	-	-	4	-	4
Total	-	-	-	**4**	-	**4**

Group	Other Income					
1/1 - 30/6/2023	Retail Banking	Corporate Banking	PFM	Other	NPE MU	Total
Other operating income	-	-	-	48	-	48
Gain from sale of investment property	-	-	-	1	-	1
Gain from sale of other assets	-	-	-	4	-	4
Total	**-**	**-**	**-**	**53**	**-**	**53**

For the Company, the respective income for the six-month period ended 30 June 2023 is immaterial.

8 Net other income/ (expenses)

	Group		Company	
	1/1 - 30/6/2024	1/1 - 30/6/2023	1/1 - 30/6/2024	1/1 - 30/6/2023
Gains / (loss) from fair value remeasurement of investment property	5	3	-	-
Other net income / (loss)	(62)	(2)	(38)	(1)
Total net other income / (expenses)	(57)	**1**	(38)	**(1)**

On 3 March 2024, the Hellenic Financial Stability Fund ("HFSF") invited Greek retail and qualified investors, as well as international investors, to participate in a public offering of up to 337,599,150 shares, which corresponds to its entire 27% stake in the Company, subject to the full exercise of an upsize option by the HFSF. The offer price ranged between € 3.70 and € 4.00 per share. The public offering took place from 4 March until 6 March, and pursuant to relevant decisions of the HFSF's BoD, the upsize option was fully exercised and the offer price of the shares offered was set at € 4.00 per share. The total demand that was expressed in the offering exceeded the number of offered shares by approximately 8 times. Therefore, after completion of the offering, all offered shares were sold and HFSF's stake in the Company reduced to zero. The total costs of, or incidental to, the offering borne by the Company amounted to approximately € 43 million and are presented within line item "Other net income/ (loss)".

Furthermore, following a recent court decision concerning the Group's subsidiary "Picar Single Member S.A." the Group accounted for an increase in its lease liabilities by approximately € 14 million. The relevant charge is booked within "Other net income/ (loss)".

9 Other credit risk related expenses on loans and advances to customers at amortised cost

The Group's other credit risk related expenses on loans and advances to customers at amortised cost for the period ended 30 June 2024 amounted to € 54 million (30 June 2023: € 79 million), consisting of fees payable for having its NPE portfolio managed, such as Assets Under Management ("AUM") fees and success fees, as well as credit protection fees payable under synthetic securitizations.

For the current reporting period AUM fees, success fees and credit protection fees amounted to € 9 million, € 26 million and € 19 million, respectively (30 June 2023: € 11 million, € 42 million and € 26 million, respectively).

10 Income tax benefit / (expense)

	Group	
	1/1 - 30/6/2024	1/1 - 30/6/2023
Current tax expense	(10)	(9)
Deferred tax benefit / (expense)	(203)	(82)
Income tax benefit / (expense)	**(213)**	**(90)**

The corporate income tax rate applicable to financial institutions, remains at 29% for 2024 and 2023, provided that the specific provisions of art. 27A of the Greek Income Tax Code ("ITC") apply to those tax years.

For the Company, income tax expense for the six-month periods ended 30 June 2024 and 2023 is immaterial.

The deferred tax recognized for the Group in the Condensed Interim Income Statement is attributable to temporary differences between the tax and accounting base, the effect of which is analysed in the table below:

	Group	
	1/1 - 30/6/2024	1/1 - 30/6/2023
Pensions and other post retirement benefits	(1)	(2)
Loans and advances to customers	(279)	(47)
Derivative financial instruments valuation adjustment	73	(6)
Investment property fair value adjustment	(1)	-
Depreciation of property and equipment	(1)	(3)
Amortisation of intangible assets	(4)	(3)
Recognition of tax losses carried forward	-	1
Impairment of GGBs (PSI)	(28)	(28)
Investments	-	(3)
Other temporary differences	34	12
Reserve from finacial assets at FVTOCI	2	(4)
Total	**(203)**	**(82)**

Management has estimated that tax losses carried forward of € 17 million for the Group as at 30 June 2024 can be used to offset future taxable profits. Consequently, the Group has recognised a corresponding DTA of € 4 million (31 December 2023: € 4 million). Of these tax losses, € 5 million has no specified time limit to be offset against taxable income, while the remaining € 12 million can be offset in a time horizon of five (5) financial years following their initial recognition.

DTA on tax losses carried forward are recognised only when it is probable that taxable profits will be available to utilize these carried forward tax losses. As of 30 June 2024, the Group and the Company have unused tax losses of € 3,850 million and € 1,756 million, respectively (31 December 2023: € 3,845 million and € 1,732 million for the Group and the Company, respectively), for which no DTA was recognized in the Condensed Interim Statement of Financial Position.

As at 30 June 2024, the Group has recognised a DTA of € 5,506 million (31 December 2023: € 5,703 million) and a deferred tax liability of € 10 million (31 December 2023: € 9 million).

As at 30 June 2024, the DTA of the Group that meets the provisions of article 27 of Law 4172/2013, i.e. is eligible for Deferred Tax Credit ("DTC"), amounted to € 3,211 million (31 December 2023: € 3,303 million), of which € 967 million relates to unamortised private sector involvement ("PSI") losses (31 December 2023: € 995 million) and € 2,244 million relates to temporary differences between the IFRS carrying amount and tax base of loans and advances to customers (31 December 2023: € 2,308 million).

Effective from tax year 2021 onwards, par. 3A of article 27 of the ITC applies, as added with article 125 of Greek Law 4831/2021, regarding the treatment and order of offsetting the debit difference defined under article 27 of the ITC. According to par. 1 of the same article, any debit difference outstanding at the end of the twenty-year amortization period is classified as a loss and may be carried forward for five (5) years.

The income tax benefit / (expense) of the Group's foreign subsidiaries is estimated based on the respective nominal corporate income tax rates applicable in 2024 and 2023, i.e. Romania: 16%, Egypt: 22.5%, Serbia: 15%, Ukraine: 18% (the tax rate for banks has been differentiated in 2023 and it was temporarily set for the tax year 2023 to 50%, while for 2024 it is reduced to 25%), Cyprus: 12.5%, Albania: 15%, Germany 15.825% and United Kingdom: 19% until 31 March 2023 and 25% after 1 April 2023.

According to article 82 of Greek Law 4472/2017, credit institutions and other legal entities scoped into the provisions of article 27A of Greek Law 4172/2013 are required to pay an annual fee of 1.5% on the excess amount guaranteed by the Greek State of DTAs arising from the difference between the tax rate applicable under Greek Law 4334/2015 (Gazette A' 80/16/7/2015) retrospectively from 1 January 2015 onwards (29%), and the tax rate applicable on 30 June 2015 (26%). The corresponding amount of the Group for the period ended 30 June 2024, was € 3 million, and has been recognized within line item "Net other income/ (expenses)" of the Condensed Interim Income Statement.

Under the provisions of article 52 of Law 5045/2023, as amended and currently in effect, the income tax exemption on interest from GGBs that applied to individuals and foreign tax resident entities, was extended to legal entities that have their headquarters or maintain a permanent establishment in Greece, except for credit institutions based in Greece.

In April 2024 and under the Greek Law 5100/2024, the Council Directive (EU) 2022/2523 (Pillar II) incorporated in the Greek domestic legislation, within the context of the Organisation for Economic Cooperation and Development's ("OECD") initiative against the tax Base Erosion and Profit Shifting ("BEPS"). The said law implements internationally agreed rules and methodology for establishing common measures for the minimum effective taxation of multinational enterprise ("MNE") groups and large-scale domestic groups. Specifically, all MNEs, with consolidated revenue of over € 750 million, are subject to an effective tax rate of at least 15% in each jurisdiction in which they have presence. From the first implementation of the law, a transitional period is granted to file the top-up tax information return within a period of eighteen (18) months after the last day of the reporting fiscal year. Management has already initiated a relevant project in order to assess the impact of the new framework and implement it within the Group. Based on Management's preliminary estimate, no significant impact is expected.

11 Earnings per share

Earnings per share ("EPS") are calculated by dividing the profit after tax attributable to the ordinary shareholders of the parent, by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares held by the Group.

	1/1 - 30/6/2024	1/1 - 30/6/2023	1/4 - 30/6/2024	1/4 - 30/6/2023
Profit for the period attributable to ordinary shareholders of the parent	**563**	**299**	**330**	**120**
Weighted average number of ordinary shares in issue (basic and diluted earnings)	1,245,564,731	1,250,054,239	1,245,641,348	1,250,089,827
Basic and diluted EPS in €	**0.45**	**0.24**	**0.26**	**0.10**

As at 30 June 2024 the Company held a total of 3,893,147 of its own shares and the weighted average number of ordinary shares has been adjusted to account for the free distribution of the Company's shares plan to executives and employees of the Company and its affiliated companies within the current reporting period. Refer also to Note 24.

12 Tax effects relating to other comprehensive income / (expense) for the period

Group	1/1 - 30/6/2024			1/1 - 30/6/2023		
	Gross	Tax	Net	Gross	Tax	Net
Items that may be reclassified subsequently to profit or loss						
Change in reserve from debt securities measured at FVTOCI	(20)	6	(14)	22	(7)	15
Change in currency translation reserve	(2)	-	(2)	(1)	-	(1)
Change in cash flow hedge reserve	5	-	5	-	-	-
Items that will not be reclassified subsequently to profit or loss						
Change in reserve from equity instruments measured at FVTOCI	4	(1)	3	(23)	7	(16)
Change in property revaluation reserve	-	-	-	1	-	1
Other comprehensive income / (expense)	**(13)**	**5**	**(8)**	**(1)**	**-**	**(1)**

13 Derivative financial instruments

	30/6/2024		31/12/2023	
	Fair Value		Fair Value	
	Assets	Liabilities	Assets	Liabilities
Derivatives held for trading	597	562	631	578
Derivatives held for hedging (fair value hedges)	947	29	1,329	25
Offsetting	(1,400)	(294)	(1,769)	(308)
Net amount in the Statement of Financial Position	**144**	**297**	**191**	**295**

The Group proceeds with offsetting of derivative assets and liabilities entered into with a central counterparty clearing member against variation margin collateral posted or received.

The Group's derivative financial instruments held for trading primarily comprise interest rate swaps ("IRSs"), forward rate agreements and options. Conversely, the Group's derivative financial instruments held for hedging purposes consist exclusively of IRSs.

The Group engages in derivative transactions in order to mitigate the risk of changes in interest rates on the fair value of financial assets and financial liabilities. For that purpose, the Group designates fair value hedge ("FVH") accounting relationships on either a micro or portfolio basis, applying the carve-out version of IAS 39, as adopted by EU. In micro hedges, the hedged items include Greek and other sovereign fixed rate debt securities, while in portfolio hedges the Group designates non-maturing deposits ("NMDs") as hedged items.

As at 30 June 2024, the total nominal value of NMDs currently hedged by the Group is € 10 billion (31 December 2023: € 7 billion). The total nominal value of the IRSs hedging sovereign bonds measured at FVTOCI and amortised cost, amounted to € 395 million and € 2,644 million, respectively (31 December 2023: € 395 million and € 5,739 million, respectively).

For the six-month period ended 30 June 2024, the total impact of FVH accounting on the aforementioned hedged items was a loss of € 47 million. This included a loss of € 159 million related to hedged debt securities and a € 112 million gain related to hedged NMDs (30 June 2023: loss of € 33 million exclusively on debt securities). This loss was partially offset by a valuation gain of € 43 million on the hedging derivatives (30 June 2023: gain of € 29 million), resulting in a net loss of € 4 million recognised in the Group's Condensed Interim Income Statement (30 June 2023: net loss of € 4 million).

14 Loans and advances to customers at amortised cost

	Group	
	30/6/2024	**31/12/2023**
Mortgages	6,419	6,453
Consumer, personal and other loans	1,252	1,221
Credit cards	464	437
Retail Lending	**8,135**	**8,111**
Corporate and Public Sector Lending	**29,693**	**29,746**
Collateralised loan obligations (CLOs)	**509**	**466**
Total gross loans and advances to customers at amortised cost	**38,337**	**38,323**
Less: ECL allowance	(732)	(796)
Total	**37,605**	**37,527**

For the purposes of this disclosure, both the gross carrying amount and the ECL allowance for impairment losses have not been grossed up with the PPA adjustment. As such, the respective amounts presented above do not reconcile to Note 4.2.1.

At Group level, the Senior Notes of the Phoenix, Vega I, II, III and Sunrise I, II, III securitizations, with a gross carrying amount of € 5,849 million as at 30 June 2024 (31 December 2023: € 5,984 million), are included under note line "Corporate and Public Sector Lending". The ECL allowance on these notes is insignificant as at the reporting date.

The following is a reconciliation of the gross carrying amount and the ECL allowance of loans and advances to customers at amortised cost, as defined in Note 4.2.1, to the amounts presented in the above table, taking into account the unamortised PPA adjustment as at the reporting date. For the purposes of this reconciliation, CLOs are included under note line "Corporate and

Public Sector Lending".

	Group	
	30/6/2024	**31/12/2023**
Mortgages (grossed up with PPA adjustment)	6,420	6,454
Less PPA adjustment	(1)	(1)
Mortgages	**6,419**	**6,453**
Consumer, personal and other loans (grossed up with PPA adjustment)	1,254	1,224
Less PPA adjustment	(3)	(3)
Consumer, personal and other loans	**1,252**	**1,221**
Credit cards (grossed up with PPA adjustment)	464	437
Less PPA adjustment	-	-
Credit cards	**464**	**437**
Retail Lending (grossed up with PPA adjustment)	8,138	8,115
Less PPA adjustment	(3)	(4)
Retail Lending	**8,135**	**8,111**
Corporate and Public Sector Lending (grossed up with PPA adjustment)	30,210	30,231
Less PPA adjustment	(8)	(19)
Corporate and Public Sector Lending	**30,202**	**30,212**
Total gross loans and advances to customers at amortised cost (grossed up with PPA adjustment)	38,348	38,346
Less PPA adjustment	(11)	(23)
Total gross loans and advances to customers at amortised cost (A)	**38,337**	**38,323**
Less: ECL allowance (grossed up with PPA adjustment)	(743)	(819)
Less PPA adjustment	11	23
Less: ECL allowance (B)	**(732)**	**(796)**
Net loans and advances to customers at amortised cost (A) + (B)	**37,605**	**37,527**

15 Assets held for sale ("HFS")

The carrying amount of the Group's HFS assets, which primarily consist of loans and advances to customers and real estate assets, amounted to € 218 million at 30 June 2024 (31 December 2023: € 241 million). Significant events during the period are set out below:

- HFS classification of an additional portfolio of corporate loans, referred to as "Nest". The sale transaction is expected to close in the third quarter of 2024.
- HFS classification of the real estate assets of Ianos Properties Single Member S.A. and Lykourgos Properties Single Member S.A., following the Group's commitment to a plan to sell a majority stake in both companies, a transaction which is expected to be completed in the fourth quarter of 2024.
- Completion of the sale of "Delta", a loan portfolio primarily consisting of NPEs originated in Romania.
- Impairment losses of € 23 million charged to "Impairment (losses)/ releases on loans and advances to customers at amortised cost" in the Group's Condensed Interim Income Statement.

16 Investment Securities

As at 30 June 2024, the Group's debt securities measured at amortised cost and financial assets measured at FVTOCI amounted to € 13,483 million and € 750 million, respectively (31 December 2023: € 11,659 million and € 1,383 million, respectively). These investment securities mainly comprise domestic and foreign government bonds, as well as debt securities issued by corporate and financial institutions, the vast majority of which have a residual maturity higher than 12 months as of the reporting date.

The Company's debt securities measured at amortised cost comprise solely the Tier 2 subordinated notes, issued by its subsidiary, Piraeus Bank. On 17 January 2024, following the issue by the Company of a € 500 million subordinated Tier 2 bond, the Bank issued a € 500 million back-to-back subordinated Tier 2 bond, mirroring all material terms of the bond issued by the Company. This back-to-back bond was fully subscribed by the Company. Additionally, the back-to-back Tier 2 subordinated notes with a nominal value of € 400 million were fully repurchased by the Bank in the first half of 2024, following the Company's partial cash tender offer on 17 January 2024 for a nominal amount of € 294 million, as well as Company's call on 26 June 2024 for the remaining principal amount of € 106 million. These repurchases resulted in a total gain of € 31 million recognized within line item "Net gains / (losses) from derecognition of financial instruments measured at amortised cost" in the Company's Condensed Interim Income Statement. These intra-group transactions had no impact on the Group's financial statements.

During the six-month period ended 30 June 2024, the Group purchased debt securities measured at amortised cost of total nominal value € 2,204 million, of which € 1,210 million related to Greek government bonds and € 967 million to bonds issued by financial institutions. The impact of FVH accounting on debt securities measured at amortised cost amounted to a loss of € 151 million. Furthermore, during the current reporting period, the carrying amount of the Group's debt securities measured at FVTOCI decreased by € 640 million, mainly due to redemptions of Greek and foreign governments treasury bills with a total nominal value of € 653 million.

As at 30 June 2024, the Group's debt securities measured at amortised cost, net of provisions, amounting to € 13,480 million are classified in Stage 1 (31 December 2023: € 11,656 million) with a corresponding ECL allowance of € 16 million (31 December 2023: € 17 million). Additionally, debt securities at amortised cost, net of provisions, amounting to € 3 million are classified in Stage 3 (31 December 2023: € 3 million), with a corresponding ECL allowance of € 5 million (31 December 2023: € 4 million).

The Company's debt securities are all classified in Stage 1 and their resulting ECL allowance amounted to € 8 million (31 December 2023: € 7 million).

The Group's debt securities measured at FVTOCI are classified entirely in Stage 1, with the resulting ECL allowance amounting to € 1 million as at 30 June 2024 (31 December 2023: stage 1 € 1 million).

17 Investments in consolidated companies

The investments of the Group and the Company in consolidated companies as at 30 June 2024, are analysed below:

A. Subsidiaries (full consolidation method)

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% holding	% holding
1.	Piraeus Bank S.A.	Banking activities	Greece	2020-2023	100.00%	100.00%
2.	Piraeus Leasing Single Member S.A.	Financial leasing	Greece	2022-2023	100.00%	-
3.	Piraeus Property Real Estate Management Single Member S.A.	Property management	Greece	2022-2023	100.00%	-
4.	Piraeus Securities S.A.	Stock exchange services	Greece	2018-2023	100.00%	-
5.	Piraeus Factoring Single Member S.A.	Corporate factoring	Greece	2018-2023	100.00%	-
6.	Piraeus Capital Management Single Member S.A.	Management of venture capital fund	Greece	2018-2023	100.00%	-
7.	Piraeus Jeremie Technology Catalyst Management Single Member S.A.	Management of venture capital fund	Greece	2018-2023	100.00%	-
8.	Piraeus Asset Management Single Member M.F.M.C. S.A.	Mutual funds management	Greece	2018-2023	100.00%	-
9.	Geniki Information Single Member S.A.	Assessment and collection of commercial debts	Greece	2018-2023	100.00%	-
10.	Kosmopolis A' Shopping Centers Single Member S.A.	Shopping center's management	Greece	2018-2023	100.00%	-
11.	ND Development Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
12.	New Up Dating Development Real Estate and Tourism Single Member S.A.	Property, tourism & development company	Greece	2018-2023	100.00%	-
13.	Picar Single Member S.A.	City Link areas management	Greece	2018-2023	100.00%	-
14.	P.H. Development	Property management	Greece	2018-2023	100.00%	-
15.	General Construction and Development Co. S.A.	Property development/ holding company	Greece	2018-2023	66.66%	-
16.	Entropia Ktimatiki S.A.	Property management	Greece	2018-2023	66.70%	-
17.	Komotini Real Estate Development Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
18.	Piraeus Development Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
19.	Piraeus Real Estate Single Member S.A.	Real estate development	Greece	2018-2023	100.00%	-

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% holding	% holding
20.	Pleiades Estate Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
21.	Piraeus Agency Solutions Single Member S.A.	Insurance agency	Greece	2018-2023	100.00%	100.00%
22.	Mille Fin S.A.	Trading of boat vehicles, cars and equipment	Greece	2018-2023	100.00%	-
23.	Multicollection S.A.	Assessment and collection of commercial debts	Greece	2009-2023	51.00%	-
24.	Centre of Sustainable Entrepreneurship Excelixi Single Member S.A.	Consulting Services - Hotel - Training & Seminars	Greece	2018-2023	100.00%	-
25.	PROSPECT M.C.P.Y.	Yachting management	Greece	2018-2023	100.00%	-
26.	Ianos Properties Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
27.	Lykourgos Properties Single Member S.A.	Property management	Greece	2018-2023	100.00%	-
28.	Thesis Cargo Single Member S.A.	Property management	Greece	2022-2023	100.00%	-
29.	Trastor Real Estate Investment Company	Real estate investment property	Greece	2018-2023	98.61%	-
30.	Sinoris Single Member S.A.	Property management	Greece	2023	100.00%	-
31.	Iolcus Investments Alternative Investments Funds Managers S.A.	Alternative investments funds management	Greece	2018-2023	100.00%	-
32.	Snappi S.A.	Digital banking products and services	Greece	2022-2023	69.27%	69.27%
33.	Synthis Single Member S.A.	Property management	Greece	2022-2023	100.00%	-
34.	MIG Holdings S.A.	Holding company	Greece	2018-2023	87.79%	-
35.	Athenian Investments Holdings S.A.	Holding company	Greece	2018-2023	87.79%	-
36.	Sirrus Single Member S.A.	Property management	Greece	2023	100.00%	-
37.	Fineas Ktimatiki Single Member S.A.	Property management	Greece	2020-2023	98.61%	-
38.	Solon Ktimatiki Single Member S.A.	Property management	Greece	2021-2023	98.61%	-
39.	Sevthis Single Member S.A.	Property management	Greece	-	100.00%	-
40.	Iovis Single Member S.A.	Property management	Greece	-	100.00%	-
41.	Cielo Consultancy Sh.P.K.	Property management	Albania	2014-2023	99.09%	-
42.	Euroinvestment & Finance Public Ltd	Asset management, real estate operations	Cyprus	2018-2023	88.69%	-
43.	R.E. Anodus Two Ltd	Holding and investment company	Cyprus	2020-2023	99.09%	-

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% holding	% holding
44.	Tellurion Ltd	Holding company	Cyprus	2020-2023	100.00%	-
45.	Tellurion Two Ltd	Holding company	Cyprus	2017-2023	99.09%	-
46.	Trieris Two Real Estate LTD	Holding, Investment and Real Estate Portfolio Management	Cyprus	2011-2023	100.00%	-
47.	R.E. Anodus Ltd	Consultancy services for real estate development and investments	Cyprus	2017-2023	100.00%	-
48.	Lakkos Mikelli Real Estate Ltd	Property management	Cyprus	2018-2023	50.44%	-
49.	Philoktimatiki Public Ltd	Land and property development	Cyprus	2018-2023	52.18%	-
50.	Philoktimatiki Ergoliptiki Ltd	Construction company	Cyprus	2018-2023	52.18%	-
51.	MIG Leisure Ltd	Holding company	Cyprus	-	87.79%	-
52.	MIG Aviation Holdings Ltd	Holding company	Cyprus	-	87.79%	-
53.	Passerat Company Ltd	Holding company	Cyprus	2022-2023	100.00%	-
54.	JSC Piraeus Bank ICB	Banking activities	Ukraine	-	99.99%	99.99%
55.	Akinita Ukraine LLC	Real estate development	Ukraine	2021-2023	100.00%	-
56.	Sinitem LLC	Sale and purchase of real estate	Ukraine	2013-2023	99.94%	-
57.	Solum Enterprise LLC	Property management	Ukraine	2012-2023	99.94%	-
58.	Solum Limited Liability Company	Property management	Ukraine	2018-2023	99.94%	-
59.	Piraeus Leasing Romania S.A.	Monitoring and collection services for loans disbursed by the company	Romania	2003-2023	100.00%	-
60.	Daphne Real Estate Consultancy SRL	Real estate development	Romania	2014-2023	99.09%	-
61.	Proiect Season Residence SRL	Real estate development	Romania	2018-2023	100.00%	-
62.	R.E. Anodus SRL	Real estate development	Romania	2013-2023	99.09%	-
63.	Piraeus Rent Doo Beograd	Operating leases	Serbia	2007-2023	100.00%	-
64.	JSC Robne Kuce Beograd ("RKB")	Property management	Serbia	-	87.79%	-
65.	Piraeus Real Estate Egypt LLC	Property management	Egypt	2011-2023	100.00%	-
66.	Trieris Real Estate Management Ltd	Management of real estate companies	British Virgin Islands	-	100.00%	-

s/n	Company	Activity	Country	Unaudited tax years (1)	Group % holding	Company % holding
67.	Piraeus Group Capital Ltd	Debt securities' issuance	United Kingdom - Jersey Channel Islands	2012-2023	100.00%	100.00%
68.	Piraeus Group Finance PLC	Debt securities' issuance	United Kingdom	2012-2023	100.00%	-
69.	Piraeus SNF DAC	SPV for securitization of corporate, mortgage and consumer loans	Ireland	-	-	-
70.	Magnus NPL Finance DAC	SPV for securitization of corporate loans	Ireland	-	-	-

Note [1]: In accordance with Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority, the tax position of entities domiciled in Greece that have not been notified by the local tax authorities for a tax audit, is deemed to be final only after a five-year period has elapsed since the end of each fiscal year.

The subsidiaries duly numbered 69 - 70 are SPVs for securitization of loans and advances to customers and issuance of debt securities. Further, as at 30 June 2024 the subsidiaries duly numbered 9, 22, 23 and 25 were under liquidation.

The subsidiary "Kion Holdings Ltd", that is immaterial to the Group's financial position and results of operations, is not consolidated but recognized at cost. The full consolidation of the aforementioned company would not have a significant effect on the Interim Financial Statements, as its total net income, total equity and total assets each comprise less than 0.01% of the Group's respective balances, based on its most recent financial statements. In the first quarter of 2024, the non-consolidated subsidiaries "Hellenic Information Systems HIS S.A." and "The Museum Ltd" were dissolved and removed from the relevant company registries.

Financial statements of subsidiaries

The annual financial statements of the Group's subsidiaries for the year ended 31 December 2023 are available on the Company's web site at www.piraeusholdings.gr in section Investor Relations, subsection Financial Data - Financial Statements and Other Information - Consolidated Companies.

B. Associates and joint ventures (equity accounting method)

B.1 Associates

The Group's associates as at 30 June 2024 are the following:

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% Holding	% Holding
1.	Piraeus - TANEO Capital Fund	Close end venture capital fund	Greece	-	50.01%	-
2.	PJ Tech Catalyst Fund	Close end venture capital fund	Greece	-	30.00%	-
3.	APE Commercial Property Real Estate Tourist and Development S.A.	Holding company	Greece	2018-2023	27.80%	-
4.	Omicron Cyclos Ena Symmetohiki S.A. (2)	Holding company	Greece	2018-2023	28.10%	-
5.	APE Investment Property S.A.	Real estate, development/ tourist services	Greece	2018-2023	28.92%	-
6.	Olganos Real Estate S.A.	Property management/electricity production from renewable energy resources	Greece	2018-2023	32.27%	-
7.	Pyrrichos S.A.	Property management	Greece	2018-2023	55.95%	-
8.	Exodus S.A. (2)	Information technology & software	Greece	2018-2023	49.90%	-
9.	Evros Development Company S.A.	European community programs management	Greece	2018-2023	30.00%	-
10.	Gaia S.A.	Software services	Greece	2019-2023	24.92%	-
11.	Crete Scient & Tech. Park Manag. & Dev. Co. S.A.	Scientific and technology park management	Greece	2018-2023	30.45%	-
12.	Intrum Hellas REO Solutions S.A.	Real estate	Greece	2019-2023	19.96%	-
13.	Intrum Hellas Credit Servicing S.A.	Credit and loan servicing	Greece	2019-2023	20.00%	-
14.	Teiresias S.A.	Interbanking company of development, operation and management of information systems	Greece	2023	23.53%	-
15.	Piraeus Direct Services S.A.	Support & e-commerce services, trade of time renewal cards	Greece	2018-2023	49.90%	-
16.	Perigenis Business Properties S.A.	Property management	Greece	2020-2023	20.61%	-
17.	Abies S.A. (2)	Property management	Greece	2018-2023	40.14%	-
18.	ETVA Industrial Parks S.A.	Development/ management of industrial areas	Greece	2018-2023	1.00%	-
19.	Trieris Real Estate Ltd	Property management	British Virgin Islands	2018-2023	18.41%	-
20.	Strix Holdings LP	Holdings limited partnership	Ireland	-	100.00%	-

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% Holding	% Holding
21.	Strix Asset Management Ltd	Asset management	Ireland	-	25.00%	-
22.	Strix Holdings II LP	Holdings limited partnership	Ireland	-	100.00%	-

Note [1]: In accordance with Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority, the tax position of entities domiciled in Greece that have not been notified by the local tax authorities for a tax audit, is deemed to be final only after a five-year period has elapsed since the end of each fiscal year.

Note [2]: Placed under liquidation as at 30 June 2024.

The Group's associate NGP Plastic S.A., is immaterial to the Group's financial position and results of operations, therefore, is not consolidated under the equity method but recognised at cost. The total net income, total equity and total assets of this non-significant associate represent approximately 0.19%, 0.03% and 0.03% of the Group's respective balances, based on the most recent financial statements obtained.

Although the Group owns more than half of Piraeus - TANEO Capital Fund, Pyrrichos S.A., Strix Holdings LP and Strix Holdings II LP, Management has determined that the Group does not control these entities. Strix Holdings LP and Strix Holdings II LP (the "Partnerships") are limited partnerships established in Ireland who own equity participations unrelated to the financial sector in general and specifically to the Group's principal activity. The Bank is the sole limited partner investor in the Partnerships and their business objective is to enhance the value of their assets through: (i) monitoring, cost optimization, strategic reorganisation, corporate transformation, business development and changes in management; (ii) disposing of such assets in structured disposal processes aimed at maximising sale proceeds with the assistance of external asset management; and (iii) engaging in such other activities as the general partner deems necessary. The Partnerships are material associates of the Group. The Group does not have power over the Partnerships because it cannot direct their relevant activities either through voting rights or through other substantive rights stemming from contractual agreements and there are no other parties acting on its behalf. Further, the Group has significant influence in Intrum Hellas REO Solutions S.A., ETVA Industrial Parks S.A. and Trieris Real Estate Ltd even though its shareholding does not exceed 20%.

B.2 Joint ventures

The Group's joint ventures as at 30 June 2024 are the following:

s/n	Company	Activity	Country	Unaudited tax years (1)	Group	Company
					% Holding	% Holding
1.	AEP Elaiona S.A.	Property management	Greece	2018-2023	50.00%	-
2.	Peirga Kythnou P.C.	Real estate	Greece	2019-2023	50.00%	-
3.	ReoCo Solar S.A.	Property management	Greece	-	30.66%	-

Note [1]: In accordance with Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority, the tax position of entities domiciled in Greece that have not been notified by the local tax authorities for a tax audit, is deemed to be final only after a five-year period has elapsed since the end of each fiscal year.

Refer to Note 27 for an analysis of significant changes in the portfolio of consolidated companies.

18 Tax receivables

	Group		Company	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Tax receivables	228	204	7	7
Accumulated impairment of tax receivables	(43)	(43)	-	-
Net tax receivables	186	161	7	7

Net tax receivables for the Group as at 30 June 2024 amounted to € 186 million (31 December 2023: € 161 million), of which € 176 million and € 7 million are attributable to the Bank and the Company, respectively, and € 3 million to other subsidiaries of the Group.

Piraeus Bank S.A.

Net tax receivables comprise the following:

a) Receivables from withholding taxes on interest of bonds and treasury bills of € 58 million relating to financial years 2009, 2011, 2012 and 2013 (tax years 2008, 2010, 2011 and 2012). Under the provisions of Greek Law 4605/2019 (article 93, par.1 and 2), as published at Gazette A' 52 on 1 April 2019, an amendment was introduced into the ITC, clarifying the status of the aforementioned withholding tax receivables of the Bank, as follows:

- Withholding taxes of € 26 million, in accordance with the provisions of par. 8 of article 12 of Greek Law 2238/1994, for the financial year 2013 (tax year 2012), are offset as a priority when income tax is incurred and to the extent that such income tax is sufficient for the purposes of the above set-off. In addition, an amount of € 7 million, withheld on the same basis, for the financial year 2010 (tax year 2009) is claimed from the Greek State; and

- Withholding taxes of € 25million, which are subject to the provisions of par. 6 of article 3 of Greek Law 4046/2012 and not offset within five (5) years, can be netted off against tax liabilities of the Bank in equal instalments within 10 years, starting from 1 January 2020.

b) Withholding taxes of € 30 million deriving from interest income earned on Greek Government treasury bills, which were withheld after 1 January 2013. Such tax receivables are offset against income tax available in the next five (5) financial years from the financial year in which the income tax was withheld. Upon completion of the five-year period, any remaining withholding tax is netted off against current tax liabilities.

c) Withholding taxes of € 83 million arising from corporate bonds, which are refundable by the Greek State.

d) Various other tax claims of € 5 million.

19 Due to banks

	Group	
	30/6/2024	31/12/2023
Amounts due to ECB and central banks	1,050	3,590
Interbank deposits	141	61
Securities sold to credit institutions under agreements to repurchase	1,797	435
Other	519	532
	3,507	**4,618**

Line item "Amounts due to ECB and central banks" includes the funding liabilities of the Bank due to ECB, in the context of the TLTRO III program. In June 2024, a tranche of € 2.5 billion was repaid to the ECB following its maturity. As a result, there is a corresponding decrease also in line item "Cash and balances with Central Banks". As at 30 June 2024, the Group's funding through TLTRO auctions amounted to € 1 billion maturing in December 2024.

The interest expense recognized in the Group's NII, regarding the TLTRO III funding for the period ended 30 June 2024 amounted to € 69 million (30 June 2023: € 76 million). Refer to Note 6.

Interbank repo funding increased compared to 31 December 2023 with the use of sovereign debt securities as collateral, mainly related to Italian government bonds and GGBs, following the repayment of TLTRO III operations.

Line item "Other" mainly comprises: i) long term borrowings from European Investment Bank and ii) cash collateral received by the Bank in the context of derivative transactions engaged under ISDA and CSA agreements.

As of 30 June 2024 and 31 December 2023 the Company had no dues to banks.

20 Due to customers

	Group	
	30/6/2024	31/12/2023
Corporate		
Current and sight deposits	14,299	13,593
Term deposits	3,801	3,543
Blocked deposits, guarantee deposits and other accounts	351	399
Total (A)	**18,451**	**17,536**
Retail		
Current and sight deposits	7,940	7,765
Savings accounts	23,467	24,184
Term deposits	9,742	9,962
Blocked deposits, guarantee deposits and other accounts	42	40
Total (B)	**41,190**	**41,952**
Cheques payable and remittances (C)	**116**	**79**
Total Due to customers (A)+(B)+(C)	**59,757**	**59,567**

As of 30 June 2024 and 31 December 2023, the Company had no dues to customers.

21 Debt securities in issue

		Group	
	Interest Rate (%)	30/6/2024	31/12/2023
Senior Preferred Bond	3.875%	511	501
Senior Preferred Bond	8.250%	360	374
Senior Preferred Bond	7.250%	533	514
Senior Preferred Bond	6.750%	514	497
Senior Preferred Bond	5.000%	503	-
Total debt securities in issue		**2,421**	**1,886**

The financial terms of the debt securities held by third parties as of the end of the reporting period, are as follows:

Issuer	Description	Underlying Loan Type	Issue Date	Maturity Date	Currency	Interest Rate on Total Outstanding Amount/ Coupon Frequency	Nominal value	Outstanding nominal amount	Redem-ptions	Nominal amount own held by the Bank	Nominal amount held by third party	Carrying value	Interest Rate on third party
Group													
30/6/2024													
Senior Preferred Bond													
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	3-Nov-21	3-Nov-27	EUR	3.875% / Annual	500	500	-	-	500	511	3.875%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	28-Nov-22	28-Jan-27	EUR	8.250% / Annual	350	350	-	-	350	360	8.250%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	13-Jul-23	13-Jul-28	EUR	7.250% / Annual	500	500	-	-	500	533	7.250%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	5-Dec-23	5-Dec-29	EUR	6.750% / Annual	500	500	-	-	500	514	6.750%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	16-Apr-24	16-Apr-30	EUR	5.000% / Annual	500	500	0	-	500	503	5.000%

Issuer	Description	Underlying Loan Type	Issue Date	Maturity Date	Currency	Interest Rate on Total Outstanding Amount/ Coupon Frequency	Nominal value	Outstanding nominal amount	Redemptions	Nominal amount own held by the Bank	Nominal amount held by third party	Carrying value	Interest Rate on third party
Group													
31/12/2023													
Senior Preferred Bond													
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	3-Nov-21	3-Nov-27	EUR	3.875% / Annual	500	500	-	-	500	501	3.875%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	28-Nov-22	28-Jan-27	EUR	8.250% / Annual	350	350	-	-	350	374	8.250%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	13-Jul-23	13-Jul-28	EUR	7.250% / Annual	500	500	-	-	500	514	7.250%
Piraeus Bank S.A.	Fixed Rate Senior Preferred Bond	-	5-Dec-23	5-Dec-29	EUR	6.750% / Annual	500	500	-	-	500	497	6.750%

On 16 April 2024, the Bank issued Senior Preferred Notes with a nominal value of € 500 million, maturing in April 2030. These notes bear an annual fixed interest rate of 5% for the first 5 years, after which the rate will be reset to the prevailing mid swap rate plus 2.2450% per annum.

The Senior Preferred Notes may be redeemed by the issuer on 16 April 2029 at par of their nominal amount. The Senior Preferred Notes were issued under the Euro Medium Term Notes ("EMTN") Programme.

As of 30 June 2024 and 31 December 2023 the Company had no debt securities in issue. The following table includes the financial terms of debt securities retained by the Group as of the end of the reporting period:

Issuer	Description	Underlying Loan Type	Issue Date	Maturity Date	Currency	Interest Rate/ Coupon Frequency	Nominal value	Outstanding nominal amount	Redemptions	Accumulated Cancellations
Group										
30/6/2024										
Covered Bonds										
Piraeus Bank S.A.	Floating rate covered bond Series 3	Mortgage loans	16-Feb-17	16-Nov-26	EUR	1m Euribor + 150bp / Monthly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 5	Mortgage loans	20-Nov-17	20-May-26	EUR	3m Euribor + 150bp / Quarterly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 6	Mortgage loans	31-Jan-18	31-Jan-26	EUR	3m Euribor + 150bp / Quarterly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 7	Mortgage loans	11-May-18	11-Feb-27	EUR	3m Euribor + 150bp / Quarterly	1,000	1,000	-	-

Issuer	Description	Underlying Loan Type	Issue Date	Maturity Date	Currency	Interest Rate/ Coupon Frequency	Nominal value	Outstanding nominal amount	Redemptions	Accumulated Cancellations
Group										
31/12/2023										
Covered Bonds										
Piraeus Bank S.A.	Floating rate covered bond Series 3	Mortgage loans	16-Feb-17	16-Nov-26	EUR	1m Euribor + 150bp / Monthly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 5	Mortgage loans	20-Nov-17	20-May-24	EUR	3m Euribor + 150bp / Quarterly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 6	Mortgage loans	31-Jan-18	31-Jan-26	EUR	3m Euribor + 150bp / Quarterly	1,000	500	-	500
Piraeus Bank S.A.	Floating rate covered bond Series 7	Mortgage loans	11-May-18	11-Feb-27	EUR	3m Euribor + 150bp / Quarterly	1,000	1,000	-	-

On 13 May 2024, the Bank made amendments to the fully retained Covered Bond Series 5 (issued in November 2017), extending Maturity Date by 24 months.

As at at 30 June 2024 and 31 December 2023 the carrying amount of loans and advances to customers at amortised cost, that have been pledged as collateral under the terms of the covered bonds programme was € 3,661 million and € 3,341 million, respectively.

For further information about Covered bonds refer to the Company's website in the Investor Relations and Base Prospectus (Covered Bonds | Piraeus Financial Holdings (piraeusholdings.gr)).

22 Other borrowed funds

On 17 January 2024, the Company issued under the EMTN Programme a Subordinated Tier 2 Note of nominal value € 500 million, bearing a coupon of 7.25%, with a maturity of 10.25 years.

In conjunction with the new issuance, the Tier 2 subordinated notes with a nominal value of € 400 million and a coupon of 9.75% due June 2029 were fully derecognised in the first half of 2024. Initially, on 17 January 2024, the Company completed a cash tender offer for the said notes with the participation of bondholders for a nominal amount of € 294 million. The purchase price of the transaction stood at 102% of the principal amount of the notes accepted for purchase, plus accrued interest, resulting in a total loss of € 8 million recognized within line item "Net gains / (losses) from derecognition of financial instruments measured at amortised cost". Subsequently, the remaining principal amount of € 106 million was redeemed by the Company on the call date of 26 June 2024.

As at 30 June 2024, following the aforementioned transactions, the Group's and the Company's other borrowed funds consist solely of two (2) Tier 2 subordinated notes with a total nominal value of € 1 billion (€ 500 million maturing in February 2030 and € 500 million maturing in April 2034) and a total carrying value of € 1,008 million, including € 17 million of accruals. These notes may be redeemed by the issuer at par on 19 February 2025 and 17 April 2029, respectively, subject to prior regulatory approval. In addition, the notes bear annual fixed interest rates of 5.5% and 7.25% for the first five years, resetting once thereafter to the prevailing 5-year mid swap rate plus 5.774% and 4.773%, respectively.

23 Contingent liabilities, assets pledged, transfers of financial assets and commitments

23.1 Legal proceedings

Litigation is common in the banking industry due to the nature of the business. The Group has established formal controls and policies for managing legal claims. After obtaining professional advice and reasonably estimating the potential loss, the Group makes adjustments to account for any adverse effects these claims may have on its financial position.

As at 30 June 2024, the Group provided an amount of € 23 million (31 December 2023: € 34 million) for cases under litigation. This amount represents Management's best estimate of the probable loss to be incurred upon finalization of these pending legal cases.

The Group has been advised by its legal advisors that it is possible, but not probable, that the final decision of certain legal cases mainly referring to unjust enrichment damages, nullity of debt contract, labor disputes, moral damage and compensation claims, may not be in favor of the Group. Accordingly, no provision for such claims has been established as at 30 June 2024. The contingent liability that could potentially result from such litigations, based on the current status of the legal proceedings and Management's best estimate, is not expected to exceed € 238 million for the Group (31 December 2023: € 223 million), while the timing of the outflow is uncertain. Based on historical data, such legal cases do not result to significant losses for the Group.

Following the acquisition of a controlling stake in MIG that was completed in April 2023 Management, assisted by its legal advisors, reviewed the possible and present obligations under IAS 37 arising from past litigations and claims against MIG and its subsidiaries and concluded on the basis of the information and input provided by MIG that no provision should be recognised by the Group on its balance sheet. Further, no significant financial impact is expected from the contingent liabilities of MIG and its subsidiaries as per the above stated information and input.

23.2 Pending tax audits

The Company has been audited by the tax authorities up to and including the year 2010.

For the years 2011 - 2016, all Greek Société Anonyme Companies were required to receive tax compliance reports issued by their statutory auditors, under Greek Law 2190/1920 and in accordance with article 82 of Greek Law 2238/1994 and article 65A of Greek Law 4174/2013, as in force at that time.

From 2016 onwards, the requirement to obtain a tax compliance report became optional, however Management has opted for the Company and the Group's Greek subsidiaries to continue receiving such reports from the statutory auditors. The Tax Administration retains its right to proceed with a tax audit, within the applicable statute of limitations, in accordance with article 36 of Greek Law 4174/2013, as currently in force.

In the Bank's tax compliance report for fiscal year 2013, an emphasis of matter was expressed on applicable provisions of Greek Tax Law regarding the acquisition of assets and liabilities of Greek branches of credit institutions domiciled in other EU member countries. According to these provisions, the aforementioned transactions are not subject to tax.

Regarding the Group's Greek subsidiaries, the respective tax compliance reports for the fiscal years up to 2022 have been issued and were unqualified. The fiscal year 2023 of the Company and its Greek subsidiaries is currently being examined by Deloitte Certified Public Accountants S.A. and the final outcome of the tax compliance reports is not expected to have a material effect on the Interim Financial Statements. The unaudited tax years of the Group's subsidiaries, associates and joint ventures, are included in Note 17; therefore, their tax liabilities for these years may not be considered final. Additional taxes and penalties may be imposed for the unaudited years; however, no material impact is expected on the financial position of the Group.

23.3 Commitments

In the normal course of business, the Group enters into contractual credit commitments towards its customers to facilitate their financing needs or obligations. Due to their nature, credit commitments are treated as off-balance sheet items. These credit commitments consist of letters of guarantee, letters of credit and irrevocable undrawn committed credit facilities. Typically, letters of guarantee and letters of credit ensure payment to a third party for a customer's trade transactions or guarantee the performance of a customer to a third party. Irrevocable undrawn committed credit facilities are agreements to lend to a customer as long as there is no violation of the conditions established in the contract. The credit risk associated with these commitments is measured by applying the same Credit Policy, approval process and monitoring procedures employed for Loans and advances to customers at amortised cost.

As at 30 June 2024 and 31 December 2023, the Group had undertaken the following commitments:

	Group	
	30/6/2024	**31/12/2023**
Financial guarantees	5,651	5,680
Letters of credit	233	121
Irrevocable undrawn credit commitments	2,716	1,961
Total credit commitments	**8,600**	**7,762**

The irrevocable undrawn committed credit facilities are included in the Risk Weighted Assets ("RWAs") calculation for capital adequacy purposes under regulatory rules currently in force. An ECL allowance is measured for letters of guarantee, letters of credit and irrevocable undrawn credit commitments.

23.4 Assets pledged

	Group	
	30/6/2024	**31/12/2023**
Due from banks	696	825
Financial assets at FVTPL	3	1
Loans and advances to customers at amortised cost	6,213	6,498
Financial assets measured at FVTOCI	1	2
Debt securities at amortised cost	100	3
	7,012	**7,330**

The aforementioned financial assets are mainly pledged either for drawing liquidity from the Eurosystem, under the general terms applying to such agreements, or for margins in regards with: a) derivative transactions engaged under ISDA master netting agreements and CSA contracts and b) repurchase transactions covered by Global Master Repurchase Agreement ("GMRA") contracts.

In the context of interbank repurchase agreement (repo) transactions, securities of total nominal value € 2,170 million (31 December 2023: € 515 million) are used for liquidity purposes. The said amount includes primarily GGBs and Italian Sovereign bonds of total nominal value € 297 million and € 1,794 million, respectively (31 December 2023: € 71 million and € 411 million, respectively).

In addition to the above, as at 30 June 2024 and 31 December 2023 the Bank has pledged an amount of € 168 million, with respect to written guarantee for the non-payment risk of the Greek State, included within balance sheet line item "Due from banks".

The Bank's minimum reserve requirement, regarding the amount of funds held on average over the current maintenance period in its current account to Bank of Greece ("BoG"), amounts to € 592 million (31 December 2023: € 585 million).

24 Share capital and share premium

	Number of shares		
	Company		Group
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1/1/2023	**1,250,367,223**	**(259,798)**	**1,250,107,425**
Purchases of treasury shares	-	(32,141,238)	**(32,141,238)**
Sales of treasury shares	-	27,156,011	**27,156,011**
Balance at 31/12/2023	**1,250,367,223**	**(5,245,025)**	**1,245,122,198**
Opening balance at 1/1/2024	**1,250,367,223**	**(5,245,025)**	**1,245,122,198**
Purchases of treasury shares	-	(8,123,236)	(8,123,236)
Sales of treasury shares	-	8,213,061	8,213,061
Balance at 30/6/2024	**1,250,367,223**	**(5,155,200)**	**1,245,212,023**

The Company's share capital as at 30 June 2024 and 31 December 2023 amounted to € 1,163 million, divided into 1,250,367,223 common registered shares, with a nominal value of € 0.93 each.

On 15 March 2024, the Company distributed 82,272 of its own common shares for free, under the Free Distribution of Shares Plan to executives and employees of the Company and its affiliated companies. These shares were provided through OTC transactions, the valuation of which was based on the share's closing price of € 3.93 on 15 March 2024.

After the aforementioned transaction, the Company owned a total of 3,893,147 of its own shares, corresponding to 0.31% of its total shares.

The remaining purchases and sales of treasury shares that occurred during the current period and in 2023, as well as the remaining treasury shares owned as at 30 June 2024 and 31 December 2023, relate to transactions executed by the Group's subsidiary Piraeus Securities S.A. in the context of its market making operations. As at 30 June 2024, Piraeus Securities S.A. held 1,262,053 of the Group's common shares.

25 Other reserves and retained earnings

	Group		Company	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
Legal reserve	141	88	75	69
Reserve from financial assets measured at FVTOCI	29	40	-	-
Currency translation reserve	(67)	(64)	-	-
Cash flow hedge reserve	7	2	-	-
Property revaluation reserve	9	9	-	-
Share-based payment reserve	1	-	1	-
Other reserves	40	40	27	27
Non-taxed reserves	350	411	272	351
Total other reserves	**511**	**525**	**375**	**447**
Retained earnings	**2,236**	**1,771**	**44**	**50**
Other reserves and retained earnings	**2,746**	**2,296**	**418**	**497**

As of 30 June 2024, non-taxed reserves stood at € 350 million, a decrease of € 61 million compared to the year ended 31 December 2023. This decrease is due to the distribution of € 93 million of discretionary reserves to the shareholders of the parent and Group's staff and the formation of additional € 32 million of such reserves for the year 2023.

The table below illustrates the movement of the reserve from financial assets measured at FVTOCI. The movement of other reserves and retained earnings is provided in the Condensed Interim Statement of Changes in Equity.

	Group	
	30/6/2024	31/12/2023
Opening balance	**40**	**38**
Gains / (losses) from the valuation of debt securities	(15)	33
Gains from the valuation of equity securities	3	4
Recycling of valuation adjustments and accumulated impairments upon disposal	(3)	(36)
Deferred taxation	5	-
Closing balance	**29**	**40**

26 Related party disclosures

Related parties of the Group include:

a) Members of the Company's BoD and Executive Committee, the Group Chief Internal Auditor, the Group Chief Compliance Officer and the CEOs of the significant subsidiaries, collectively "Key Management Personnel";

b) Close family members of Key Management Personnel;

c) Entities having transactions with the Company, that are controlled or jointly controlled by Key Management Personnel and their close family members;

d) the Company´s subsidiaries;

e) the Company´s associates and their subsidiaries; and

f) the Company´s joint ventures and their subsidiaries.

Loans and advances granted to related parties, as well as letters of guarantee issued in favor of related parties, were executed in accordance with the Group' s approved credit policies and procedures in terms of interest rates, collaterals and non-payment risk.

After selling all of its shares in the Company, HFSF is no longer a related party. Refer to Note 8.

26.1 Key Management Personnel and other related parties

The tables below present the Group's transactions with Key Management Personnel and the related parties referred to in points (b) and (c) above.

Group	**30/6/2024**		**31/12/2023**	
(amounts in thousand €)	**Key Management Personnel**	**Other Related Parties**	**Key Management Personnel**	**Other Related Parties**
Loans and advances to customers at amortised cost (Gross carrying amount)	3,951	474	3,981	414
Due to customers	2,904	951	2,800	1,176

Group	**1/1 - 30/6/2024**		**1/1 - 30/6/2023**	
(amounts in thousand €)	**Key Management Personnel**	**Other Related Parties**	**Key Management Personnel**	**Other Related Parties**
Income	58	17	54	26
Expense	13	5	15	-

The Company has no transactions with Key Management Personnel and other related parties.

Key Management Personnel benefits	Group		Company	
(amounts in thousand €)	1/1 - 30/6/2024	1/1 - 30/6/2023	1/1 - 30/6/2024	1/1 - 30/6/2023
Short-term benefits	4,400	4,518	538	400
Contributions to the Institution for Occupational Retirement, Life and Medical Provision	46	43	4	4
Post-employment benefits	59	60	4	3
Shared based payments	312	-	-	-

"Short-term benefits" of Key Management Personnel include wages, salaries, employer's share of social contributions and other charges, while "Post-employment benefits" include the cost of post-employment benefit programs.

The total provision established for post-employment benefits to Key Management Personnel as at 30 June 2024 and 31 December 2023 amounted to € 1 million and is recognised under line item "Retirement and termination benefit obligations" in the Condensed Interim Statement of Financial Position.

The ECL allowance on loans and advances to customers at amortised cost granted from the Group to Key Management Personnel and other related parties as at 30 June 2024 and 31 December 2023 amounted to less than € 0.1 million.

As at 30 June 2024 Key Management Personnel and other related parties held 821 thousand ordinary shares of the Company, compared to 747 thousand as at 31 December 2023 following the Free Distribution of Own Shares Plan.

26.2 Subsidiaries

The Company's related party transactions with subsidiaries are presented below:

(amounts in million €)	Company	
	30/6/2024	31/12/2023
Assets		
Due from Banks	32	34
Investment securities at amortised cost (Gross carrying amount)	965	855
Other assets	3	1
Total	**1,000**	**890**
Liabilities		
Other liabilities	70	52
Total	**70**	**52**

(amounts in million €)	Company	
	1/1 - 30/6/2024	1/1 - 30/6/2023
Income		
Interest and similar income	53	51
Fee and commission income	-	-
Dividend Income	26	26
Net gains / (losses) from derecognition of financial instruments measured at amortised cost	31	-
Net other income / (expenses)	(1)	(1)
Total	**109**	**77**
Expenses		
Interest expense and similar charges	-	-
Fee and commission expense	(17)	(11)
Operating expenses	-	-
Total	**(17)**	**(11)**

The carrying amount of the Company's investment securities measured at amortised cost, regarding the fully subscribed back-to-back Tier 2 Notes issued by the Bank, amounted to € 956 million as at 30 June 2024 (31 December 2023: € 848 million). This amount includes an ECL allowance of € 8 million (31 December 2023: € 7 million). During the current period, there was an ECL charge of € 4 million (30 June 2023: release of € 13 million). Line item "Interest and similar income" refers to interest income from the fully subscribed back-to-back Tier 2 notes.

Line item "Dividend income" refers to income from the internal AT 1 capital instrument issued by the Bank and fully subscribed by the Company.

Line item "Net gains / (losses) from derecognition of financial instruments measured at amortised cost" refers to the gain recognized from the repurchase of the internal Tier 2 Notes issued by the Bank and fully subscribed by the Company. Refer to Note 16 for further information.

26.3 Associates

The Group's and the Company's related party transactions with associates are presented below:

(amounts in million €)	Group	
	30/6/2024	31/12/2023
Loans and advances to customers at amortised cost (Gross carrying amount)	12	46
Other assets	2	7
Due to customers	133	187
Other liabilities	12	6

(amounts in million €)	Group	
	1/1 - 30/6/2024	1/1 - 30/6/2023
Total expense and capital expenditure	(46)	(54)
Total income	23	27

The ECL allowance for impairment on loans and advances to customers at amortised cost granted from the Group and the Company to its associates as at 30 June 2024 amounted to € 4 million and nil, respectively (31 December 2023: € 3 million for the Group and nil for the Company). The ECL charge on loans and advances to customers at amortised cost for the period ended 30 June 2024 amounted to € 1 million for the Group and nil for the Company (30 June 2023: € 4 million for the Group and nil for the Company).

As at 30 June 2024, the letters of guarantee issued in favor of associates amounted to € 14 million for the Group and nil for the Company (31 December 2023: € 8 million for the Group and nil for the Company).

Line item "Dividends, interest income and other income" includes dividends received from associates amounting to € 18 million for the Group and nil for the Company, for the period ended 30 June 2024 (30 June 2023: € 16 million for the Group and nil for the Company).

Additionally, as at 30 June 2024, Strix Holdings LP's limited partnership interests were reduced by € 13 million, due to cash distribution. Furthermore, during the current period, the Group contributed to Strix Holdings LP an amount of € 10 million in exchange for additional limited partnership interests.

Finally, as at 30 June 2024 and 31 December 2023, the Group and the Company have not undertaken commitments to associates.

As at 30 June 2024, the Company has no transactions with associates, while the Company's transactions with associates as of 30 June 2023 were immaterial.

26.4 Joint ventures

The Group's related party transactions with joint ventures are presented below:

(amounts in million €)	Group	
	30/6/2024	31/12/2023
Loans and advances to customers at amortised cost (Gross carrying amount)	-	55
Due to customers	-	6

(amounts in million €)	Group	
	1/1 - 30/6/2024	1/1 - 30/6/2023
Total income	1	-

As at 30 June 2024, the Group's joint venture AEP Elaiona S.A. proceeded with a share capital increase, in which the Bank participated through a capitalization of debt and a cash payment. This transaction relates to the decrease in note line "Loans and advances to customers at amortised cost (Gross carrying amount)". Furthermore, the ECL allowance for impairment on loans and advances to customers at amortised cost granted from the Group to joint ventures as at 30 June 2024 was nil (31 December 2023: € 40 million). Refer to Note 27 for more information.

As at 30 June 2024, the letters of guarantee issued in favor of joint ventures are nil (31 December 2023: € 20 million).

The Company has no transactions with joint ventures.

27 Changes in the portfolio of consolidated companies

The changes in the Group's subsidiaries, associates and joint ventures that occurred during the first semester of 2024, in excess of € 10 million, are set out below:

a) Changes in subsidiaries

On 16 January 2024, the Bank participated in the share capital increase of its subsidiary Trastor Real Estate Investment Company ("Trastor") for an amount of € 75 million, thus increasing its shareholding to 98.34%.

On 12 March 2024, Trastor acquired 100% shareholding in Fineas Ktimatiki Single Member S.A. and Solon Ktimatiki Single Member S.A., for a total consideration of € 19 million (€ 7 million and € 12 million, respectively). As a result, the said companies became subsidiaries of the Group. Subsequently, on 10 April 2024, Trastor fully participated in the share capital increases of the aforementioned companies for a total amount of € 15 million (€ 7 million and € 8 million, respectively).

In the context of the rehabilitation agreement of the Greek Sugar Industry, the Bank acquired on 27 March 2024 a 100% shareholding in company Sevthis Single Member S.A. for an amount of approximately € 10 million.

In 2023, Trastor resolved to issue a mandatorily convertible bond, for a total amount of up to € 55 million, to be subscribed in its entirety by the Bank. During the first quarter of 2024, an additional and final amount of € 6 million was issued. On 17 May 2024, shares of the Bank's subsidiary, Trastor, were introduced on the ATHEX as a result of the mandatory conversion of the said convertible bond. Following this, the Bank's shareholding in Trastor increased to 98.61%.

In the second quarter of 2024, the Bank acquired a 100% shareholding in Iovis Single Member S.A. for an amount of € 7 million, making it a subsidiary of the Group. Subsequently, the company proceeded with a share capital increase of € 52 million, which was fully covered by the Bank.

b) Changes in associates and joint ventures

On 17 February 2024, the Group's joint venture AEP Elaiona S.A. completed a share capital decrease of € 12 million by setting off an equivalent amount of accumulated losses carried forward.

On 24 May 2024, the Bank lost its significant influence over its associate, Euromedica Societe Anonyme, following the contribution of its stake to Strix Holdings II LP, in exchange for additional limited partnership interests.

In May 2024, the Group's associate, Intrum Hellas A.E.D.A.D.P., executed a share capital decrease of € 27 million, of which an amount of € 5.5 million was distributed to the Bank. Following this capital return, the Bank decreased its cost of investment in Intrum Hellas A.E.D.A.D.P. by an equal amount.

On 28 June 2024, the Group's joint venture AEP Elaiona S.A. proceeded with a share capital increase, in which the Bank participated increasing the Group's cost of investment in AEP Elaiona S.A. by € 16 million. Following this transaction, the Group's shareholding in AEP Elaiona S.A. remained unchanged at 50%, through Bank (44%) and its subsidiary Trieris Two Real Estate LTD (6%).

c) Liquidations, disposals and mergers

Refer to the following table for the Group's liquidations, disposals, and mergers during the period ended 30 June 2024:

Entity	Group Participation	Event
Thesis Agra Single Member S.A.	Subsidiary	Liquidation (completed)
Thesis Hermes Single Member S.A.	Subsidiary	Liquidation (completed)
Thesis Schisto Single Member S.A.	Subsidiary	Liquidation (completed)
Thesis Stone Single Member S.A.	Subsidiary	Liquidation (completed)
Sunholdings Property Company Ltd	Subsidiary	Disposal
MIG Media S.A.	Subsidiary	Liquidation (completed)
Dynamic Asset Operating Leasing S.A.	Subsidiary	Merger (absorbed by its parent company Piraeus Leasing Single Member S.A.)
Kynouria Ktimatiki Single Member S.A.	Subsidiary	Merger (absorbed by its parent company Trastor R.E.I.C.)
PROSPECT M.C.P.Y.	Subsidiary	Liquidation (initiated)

28 Capital adequacy

The main objectives of Management with respect to capital adequacy are the following:

- To comply with the capital requirements against risks undertaken, according to the regulatory framework;
- To preserve the Group's ability to continue its operations unhindered, thus to continue providing returns and benefits to its shareholders and ensure the confidence of its customers;
- To retain a sound and stable capital base in order to support the Group's Business Plans; and
- To maintain and enhance existing infrastructures, policies, procedures and methodologies for the adequate coverage of supervisory needs, in Greece and abroad.

The Group currently complies with the CRD IV regulatory framework (Basel III implementation under EU rules), which came into force with Directive 2013/36/EU as transposed into Greek Law 4261/2014 (amended by Law 4799/2021) and Regulation (EU) No. 575/2013 as it is currently in force.

The aforementioned regulatory framework requires financial institutions to maintain for the Group a minimum level of regulatory capital related to the undertaken risks. The minimum thresholds for the capital adequacy ratios, as per article 92 of the CRR2, are as follows:

	Group
Common Equity Tier 1 (CET1) Ratio	4.5%
Tier 1 (T1) Ratio	6.0%
Total Capital Ratio (TCR)	8.0%

Following the activation of the Single Supervisory Mechanism ("SSM") on 4 November 2014, the Group was placed under the direct supervision of the ECB.

The ECB, through the SREP decision on 30 November 2023, informed Management on the revised OCR levels, effective since 1 January 2024. The Group has to maintain, on a consolidated basis, a TSCR of 11% and an OCR of 14.58% (OCR plus P2G 1.25% at 15.83%), in accordance with the CRR and Greek Law 4261/2014, as amended by Law 4799/2021, which includes:

a) the minimum Pillar I total capital requirements of 8.00% as per article 92(1) of the CRR;

b) an additional Pillar II capital requirement of 3.00% as per article 16(2) of Regulation 1024/2013/EU;

c) the CCB of 2.50%;

d) the O-SII capital buffer of 1.00%; and

e) the institution specific CCyB of 0.08%

The capital adequacy ratios as at 30 June 2024 and 31 December 2023 for the Group, as calculated under the existing regulatory framework, taking into account the relevant transitional period provisions applicable under Regulation 575/2013 are as follows:

	Group	
	30/6/2024	31/12/2023
Common Equity Tier 1 Capital (CET1)	4,729	4,327
Tier 1 Capital	5,329	4,927
Total regulatory capital	6,337	5,822
Total RWAs (on and off- balance sheet items)	34,143	32,765
CET1 Capital ratio	13.85%	13.21%
T1 Capital ratio	15.61%	15.04%
Total Capital ratio (TCR)	18.56%	17.77%

As at 30 June 2024, the TCR for the Group stood at 18.56% and the CET1 ratio stood at 13.85% covering the minimum OCR levels. The Group's interim profits for the second quarter of 2024 are included in the CET1 ratio as of 30 June 2024, subject to approval from the regulatory authorities. Further, the Group's CET1 ratio takes into account specific prudential adjustments in line with article 3 of the CRR and supervisory expectations (including any NPE stock / Addendum calendar shortfall, which also affects government guaranteed exposures). Specifically for the Greek State guaranteed exposures, the Bank applied a prudential cumulative adjustment of € 100 million as at 30 June 2024. The Bank adheres to supervisory expectations, by applying the minimum NPE coverage level in line with the SREP recommendation on coverage of the NPE stock and the Addendum to the ECB Guidance to banks on non-performing loans, for the Greek State guaranteed exposures. The carrying amount of these exposures amounted to € 625 million as at 30 June 2024, of which € 79 million are non credit impaired. The total amount of exposures for which the Greek State guarantee has been called is € 576 million (€ 117 million and € 459 million presented within "loans and advances to customers at amortised cost" and "other assets", respectively). Since 1 January 2023 and up to 30 June 2024 the total recoveries from the Greek State guaranteed exposures amounted to € 93 million. This prudential treatment does not affect the respective accounting treatment.

The Additional Tier 1 instruments ("AT 1 Instrument") comprise notes issued by the Company on 16 June 2021 with total nominal value € 600 million. The AT 1 Instrument is perpetual and redeemable at the full discretion of the Company, from 16 June 2026 to 16 December 2026 (the initial call date) and on any subsequent coupon payment date. The respective note bears a fixed coupon of 8.75% payable semi-annually in arrears, until the first call date, and resets to 9.195% plus the then prevailing 5-year mid swap rate every five years thereafter. The Company has the right to cancel all or part of any payment of interest, on any interest payment date and for any reason, at its sole discretion.

29 Cash and cash equivalents

For the Cash Flow Statement, "Cash and cash equivalents" comprise the following outstanding balances as at 30 June 2024 and 31 December 2023 with maturity of three months or less from their initial recognition date.

	Group		Company	
	30/6/2024	**31/12/2023**	**30/6/2024**	**31/12/2023**
Cash and balances with Central Banks (excluding mandatory reserves)	8,156	9,967	-	-
Due from banks	756	208	27	34
Financial assets at FVTPL	46	38	-	-
Financial assets at FVTOCI	-	29	-	-
	8,958	**10,242**	**27**	**34**

30 Events Subsequent to the End of the Reporting Period

- On 3 July 2024, the Bank proceeded with a share capital decrease by € 67 million, through the cancellation of 66,736,911 common registered shares, of share nominal value of € 1.00 each, held by the Company, and an equivalent capital return to the Company through a cash payment, following the relevant approval at the Annual GM of the Bank's shareholders.

The said share capital decrease was reflected as an equal in amount deduction of the Company's participation to its subsidiary, namely Piraeus Bank.

- On 3 July 2024, in implementation of the Free Distribution of Company's Shares Plan to executives and employees of the Company and its affiliated companies, 1,284,388 in total own, common registered voting shares of the Company were distributed free of charge to 150 Beneficiaries, through over-the-counter transactions. The total value of the above shares amounted to € 4.5 million, based on the closing price of € 3.518 of the Company's share on 2 July 2024. After this distribution, the Company owns a total of 2,608,759 own shares, which correspond to 0.21 % of its total shares. There was no impact in Company's equity from the said distribution.

- On 11 July 2024, the Bank successfully completed the pricing of a new € 650 million Green Senior Preferred Bond at a coupon of 4.625%. The Bond has been assigned an investment grade rating of "Baa3" from Moody's. The bond has a maturity of five (5) years, and an embedded issuer call option after four (4) years. Settlement took place on 17 July 2024 and the notes are listed on the Luxembourg Stock Exchange's Euro MTF market. Following the new issuance, the Bank's proforma MREL ratio stands at 28.3%. The said Bond was classified under debt securities in issue.

- On 16 July 2024, the cash payment of € 79 million from existing discretionary reserves of the Company to its shareholders was executed, following the corresponding approval of the Company's AGM on 28 June 2024. The obligation for the said cash payment of € 79 million was reflected as an equal in amount reduction of the Company's accounting equity as of 30 June 2024, hence the cash payment on 16 July had no effect on the Company's accounting equity.

Athens, 30 July 2024

CHAIRMAN OF THE BOARD OF DIRECTORS	MANAGING DIRECTOR	GROUP CHIEF FINANCIAL OFFICER	DEPUTY CHIEF FINANCIAL OFFICER
GEORGE P. HANDJINICOLAOU ID No X A00342058	CHRISTOS I. MEGALOU ID No AE 011012	THEODOROS CH. GNARDELLIS ID No AI 662109	GEORGE TH. MARINOPOULOS ID No AP 154589 License No Class A 0137758

Piraeus Financial Holdings

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