

DRAFT DEMERGER DEED

of “ALPHA BANK S.A.”

by way of hive-down with the incorporation of a new company pursuant to article 16 of law 2515/1997, par. 3 of article 54, par. 3 of article 57 and articles 59-74 and 140 of law 4601/2019, as in force

The société anonyme with the corporate name “ALPHA BANK S.A.” (hereinafter referred to as the “**Demerged Entity**”), represented by its Board of Directors, decided in the course of its meeting dated 1 June 2020, the initiation of the process for its demerger by way of hive-down with the incorporation of a new company, pursuant to article 16 of law 2515/1997, par. 3 of article 54, par. 3 of article 57 and articles 59-74 (inclusive) and 140 of law 4601/2019, as in force (hereinafter the “**Demerger**”).

The Demerger is performed within the implementation framework of the Demerged Entity’s strategic plan for 2020-2022, which was announced by the Demerged Entity in November 2019. The main priority of such strategic plan is the improvement of the financial structure of the Demerged Entity through the reduction of its Non-Performing Exposures and cost of risk, by the implementation of several actions, including:

- the execution of a transaction for the securitization of non-performing loan receivables, amounting to up to Euro 12 billion (hereinafter the “**Securitization Transaction**”),
- the placement of the aforementioned Securitization Transaction under the “Hercules” Program, provided by law 4649/2019, in order to mitigate the impact of the Securitization Transaction on the Demerged Entity’s capital adequacy and achieve the supervisory derecognition of Non-Performing Exposures,
- the transfer of the servicing of Non-Performing Exposures to “CEPAL HELLAS FINANCIAL SERVICES SINGLE MEMBER SOCIETE ANONYME – SERVICING OF RECEIVABLES FROM LOANS AND CREDITS” (hereinafter “**CEPAL HELLAS**”), a licensed servicing company for loan receivables under law 4354/2015, and the subsequent sale of “CEPAL HELLAS”’s shares to a third-party investor, and
- the hive-down of the Demerged Entity’s banking business sector, in accordance with the terms of the present Draft Demerger Deed.

As a result of the completion of the above actions, the Demerged Entity aims at the improvement of its financial structure through the reduction of its Non-Performing Exposures and cost of risk, following a prolonged period of crisis, creating favorable conditions for the return to profitable growth in the interest of its Shareholders, Employees and the Greek economy. The banking business sector is transferred to a new banking entity, which will have substantially improved asset quality and will be able to finance the real economy without distractions.

To this end, in Athens, today 15.9.2020, at the premises of the Demerged Entity, represented by Messrs. Lazaros A. Papagaryfallou and Nicholas R. Chryssanthopoulos, the present Draft Demerger Deed is prepared, which will be

submitted for approval to the General Meeting of Shareholders of the Demerged Entity and which is as follows:

1. DETAILS OF THE DEMERGED ENTITY AND THE BENEFICIARY ENTITY

- 1.1. Demerged Entity: The société anonyme (and credit institution on the date hereof) with the corporate name “ALPHA BANK S.A.” and the distinctive title “ALPHA BANK”, having its registered offices in Athens, with General Commercial Registry (GEMI) number 000223701000. Upon completion of the Demerger, the Demerged Entity will be a Greek société anonyme, listed on the Main Market of the Athens Exchange, with the corporate name “ALPHA SERVICES AND HOLDINGS SOCIETE ANONYME” and the distinctive title “ALPHA SERVICES AND HOLDINGS”, with registered offices in the Municipality of Athens.
- 1.2. Beneficiary: Subject to the Demerger’s approval, the société anonyme (credit institution) with the corporate name “ALPHA BANK S.A.” and the distinctive title “ALPHA BANK”, with registered offices in the Municipality of Athens (hereinafter the “**Beneficiary**”).

2. FORM OF DEMERGER

- 2.1. The Demerger shall be effectuated by way of hive-down with the incorporation of a new company, pursuant to article 16 of law 2515/1997, par. 3 of article 54, par. 3 of article 57, as well as articles 59-74 (inclusive) and 140 par. 3 of law 4601/2019, as in force.
- 2.2. The business sector to be transferred by the Demerged Entity to the Beneficiary is the banking business sector and includes the assets and liabilities related to the exercise of banking business by the Demerged Entity on a stand-alone basis (hereinafter the “**Banking Business Sector**”).
- 2.3. The Demerged Entity’s assets and liabilities included in the Banking Business Sector, appear in the business sector transformation balance sheet, dated 30.6.2020, which was prepared in accordance with par. 5 of article 16 of law 2515/1997 and par. 2 of article 59 of law 4601/2019 (hereinafter the “**Transformation Balance Sheet**”) and which is attached to this Draft Demerger Deed, as Annex I, constituting an integral part hereof. Specifically, the Banking Business Sector includes, among others, the following:
 - (a) all deposits;
 - (b) all loans and other credits;
 - (c) all rights *in rem* over properties owned by the Demerged Entity;
 - (d) the Demerged Entity’s network of branch offices;
 - (e) all Senior Notes held by the Demerged Entity, issued by the securitization special purpose entities of law 3156/2003, with the corporate names

“Orion X Securitization Designated Activity Company”, “Galaxy II Funding Designated Activity Company” and “Galaxy IV Funding Designated Activity Company”, as well as 5% of the Mezzanine Notes and 5% of the Junior Notes held by the Demerged Entity, issued by the securitization special purpose entities of law 3156/2003, with the corporate names “Orion X Securitization Designated Activity Company”, “Galaxy II Funding Designated Activity Company” and “Galaxy IV Funding Designated Activity Company”;

- (f) the debit balances arising for the Demerged Entity pursuant to the provisions of article 27 (par. 2 and 3) of law 4172/2013;
 - (g) the right to all deferred tax claims, including those determined in accordance with article 27A of law 4172/2013;
 - (h) tax claims and liabilities relating to the Banking Business Sector, created and certified up to the date of the Transformation Balance Sheet, and particularly the right to set off the credit balances of withholding taxes on credit institutions, including those falling under the provisions of paragraph 1 and paragraph 2 of article 93 of law 4605/2019;
 - (i) all participations held by the Demerged Entity, with the exception of its participation in 100% of the share capital of the companies, “Alpha Insurance Agents S.A.” and “AlphaLife Insurance Company S.A.” as provided in clauses 3.2.(a) and 3.2.(b) hereunder, as well as its participation in the share capital of the companies provided in clauses 3.2.(f) and 3.2.(g), which remain with the Demerged Entity;
 - (j) pending lawsuits relating to the exercise of the banking business by the Demerged Entity and contingent liabilities arising therefrom;
 - (k) any other assets and liabilities included in the Transformation Balance Sheet dated 30.6.2020, as property of the Banking Business Sector.
- 2.4. The verification of the book value of the assets and liabilities of the Demerged Entity, which are included in the Banking Business Sector, as well as the examination of the Draft Demerger Deed and expression of opinion, as required by law, was conducted by certified auditor Harry Sirounis (SOEL Reg. no. 19071) of the audit company with the corporate name “KPMG Certified Auditors S.A.”(hereinafter the “**Certified Auditor**”), who was appointed by the Demerged Entity and (who) drafted the relevant report dated 15.09.2020, according to par. 5 of article 16 of law 2515/1997 and article 62 of law 4601/2019 (hereinafter the “**Certified Auditor’s Report**”).
- 2.5. All actions performed by the Demerged Entity after the date of the Transformation Balance Sheet, which relate to the Banking Business Sector, shall be considered as performed on behalf of the Beneficiary and, as soon as the Demerger is completed, the relevant amounts shall be transferred by a collective entry into the latter’s books.

- 2.6. The decision of the General Meeting of Shareholders of the Demerged Entity, whereby the Demerger will be approved, along with the demerger deed and the approving decision of the Demerger and the Articles of Incorporation of the Beneficiary, to be issued by the Minister of Development and Investments, as well as the amendment of the Articles of Incorporation of the Demerged Entity, the approving decision by the competent supervisory authority and the banking license of the Beneficiary, which shall be issued by the competent supervisory authority, shall be subject to the publicity formalities provided by law.

3. RESULTS OF THE DEMERGER

- 3.1. The Demerger is effected as of the registration date of the demerger deed (which shall be drawn by means of a notarial deed) in the General Commercial Registry (GEMI), where the other documents provided by law and referred to in clause 2.6. above shall also be submitted (“**Demerger Completion Date**”) and the following results occur by operation of law (*ipso jure*) and all at once, both between the Demerged Entity and the Beneficiary, as well as vis-à-vis third parties:

- (a) The Beneficiary is incorporated with its Articles of Incorporation to be approved by the General Meeting of Shareholders of the Demerged Entity and included in the final demerger deed, which shall be drawn by means of a notarial deed.
- (b) The Beneficiary, which shall obtain a banking license, substitutes the Demerged Entity, by operation of law, pursuant to the provisions of article 16 of law 2515/1997 and par. 3 of article 57, in conjunction with par. 2 of article 70 of law 4601/2019, as in force, as universal successor in all the property (assets and liabilities) transferred to it as a result of the Demerger and constituting the Banking Business Sector, as reflected in the Transformation Balance Sheet and formed until the Demerger Completion Date. Universal succession involves all rights, intangible assets, receivables, claims, whether disputed or not, liabilities and legal relations of the Demerged Entity in general, to the extent that they relate to the Banking Business Sector, including the administrative licenses and approvals granted in favor of the Demerged Entity, in relation to the Banking Business Sector, while the Beneficiary automatically falls under the provisions of article 27A of law 4172/2013.
- (c) According to par. 7 and par. 16 of article 16 of law 2515/1997, all other rights, intangible assets, receivables, claims, whether disputed or not, legal relations, administrative licenses or any other assets or liabilities of the Demerged Entity, belonging or relating to the Banking Business Sector, are transferred to the Beneficiary, even if – by omission or oversight – they are not specifically referenced or accurately described in the present Draft Demerger Deed or the Transformation Balance Sheet or the final demerger deed, to be drawn by means of a notarial deed.
- (d) The transcription of immovable property and rights *in rem* in general, which are transferred by the Demerged Entity in the name of the Beneficiary, shall take place by applying *mutatis mutandis* the provisions

of article 1197 of the Civil Code, by entering an extract of the demerger deed or the Articles of Incorporation in the relevant transcription registries, demonstrating that the Beneficiary is the universal successor of the Demerged Entity, with a report containing the details on rights *in rem* required by article 1194 of the Civil code and the identity of the properties they refer to.

- (e) Any pending lawsuits of the Demerged Entity, to the extent that they relate to the Banking Business Sector, will continue *ipso jure*, according to the provisions of article 16 of law 2515/1997 and par. 3 of article 57, in conjunction with par. 3 of article 70 of law 4601/2019, as in force, with no further formalities by the Beneficiary. With respect to any lawsuits of the Demerged Entity conducted abroad, to the extent that they relate to the Banking Business Sector, the Demerged Entity and the Beneficiary will proceed with all the necessary actions or formalities provided or imposed by the relevant provisions of the applicable procedural law, for the substitution of the Demerged Entity by the Beneficiary and the continuance of the lawsuit by the latter.
 - (f) Any rights, liabilities and legal relations of the Demerged Entity in general, to the extent that they refer to the Banking Business Sector, which are governed by foreign law, are transferred *ipso jure* to the Beneficiary, in application of the provisions of article 74, in conjunction with par. 2 of article 70 of law 4601/2019, according to the applicable law in this case, which is Greek law (*lex societatis*).
 - (g) In the event that the foreign law does not recognize universal succession in case of a hive-down, as provided by Greek law on corporate transformations, which applies as *lex societatis*, or the relevant provisions of the foreign law require for further actions or formalities to be performed by the Demerged Entity or the Beneficiary, as the case may be, the Demerged Entity and the Beneficiary will proceed with all necessary actions or formalities provided or imposed by the relevant provisions of the foreign law, in order for the substitution to be completed according to the aforementioned and for the financial benefits and costs or risks to be transferred to the Beneficiary until the completion of the substitution.
 - (h) The Demerged Entity will become the sole (100%) shareholder of the Beneficiary, by acquiring the shares provided by clause 4.1. of the present Draft Demerger Deed.
- 3.2. The Demerged Entity is not dissolved as a result of the Demerger, but will continue its operation with the assets and activities which shall remain with the Demerged Entity after the Demerger. After the Demerger is effected, the Demerged Entity shall become the parent company of the group of companies of the Demerged Entity, maintaining direct and indirect participation in all companies that are included in the consolidated financial statements of the Demerged Entity, while it shall exercise, in parallel and *inter alia*, the activity of (a) planning, promoting and distributing insurance products, in the name and on behalf of one or more insurance companies, in the capacity of an insurance agent, as stipulated in law 4583/2018 and (b) providing accounting and tax services to affiliates and third parties. Furthermore, it shall further proceed with

the issuance of instruments in order to raise regulatory capital. Moreover, the following shall also remain with the Demerged Entity:

- (a) the Demerged Entity's entire participation (100%) in the company with the corporate name "Alpha Insurance Agents S.A." and the distinctive title "Alpha Insurance Agents", with registered offices in the Municipality of Athens, Attica, with GEMI no. 068510103000 and T.I.N. 094428956,
- (b) the Demerged Entity's entire participation (100%) in the company with the corporate name "AlphaLife Insurance Company S.A." and the distinctive title "AlphaLife", with registered offices in the Municipality of Athens, Attica, with GEMI no. 007989301000 and T.I.N. 998280980,
- (c) given that the Demerged Entity is a listed company on the Athens Exchange, the Demerged Entity will retain, to the extent necessary, the services relating to investor information and relations, shareholders' registry, as well as the regulatorily and institutionally required internal audit services and all other services provided for in the applicable provisions,
- (d) 95% of the Mezzanine Notes and 95% of the Junior Notes held by the Demerged Entity, issued by the securitization special purpose entities of law 3156/2003, with the corporate names "Orion X Securitization Designated Activity Company", "Galaxy II Funding Designated Activity Company" and "Galaxy IV Funding Designated Activity Company", as well as 100% of the notes issued by "Galaxy III Funding Designated Activity Company",
- (e) all the liabilities, rights and legal relations of the Demerged Entity, which are associated with the capacity of bond loan issuer, relating to the issuance of the "Subordinated Fixed Rate Reset Tier 2 Notes due 2030", amounting to Euro 500,000,000, which were issued on 13 February 2020, in the context of the Euro Medium Term Note (EMTN) Program of the Demerged Entity, amounting to Euro 15,000,000,000,
- (f) the entire participation in the company "Alpha Group Jersey Limited", which was incorporated according to the laws of Jersey on 21 November 2002 and has its registered offices in Jersey (Esplanade 44 street, St Helier, Jersey JE4 9WG), with (Jersey) company registration number 84392,
- (g) the Demerged Entity's entire participation in the following real estate companies: (i) the company with the corporate name "REOCO ORION X SINGLE MEMBER S.A." and the distinctive title "REOCO ORION X S.S.A.", with registered offices in the Municipality of Athens, 77 Athinon Avenue, with GEMI no. 154459501000 and T.I.N. 801326048, (ii) the company with the corporate name "REOCO GALAXY II SINGLE MEMBER S.A." and the distinctive title "REOCO GALAXY II S.S.A.", with registered offices in the Municipality of Athens, 77 Athinon Avenue, with GEMI no. 154459601000 and T.I.N. 801326050, and (iii) the company with the corporate name "REOCO GALAXY IV SINGLE MEMBER S.A." and the distinctive title "REOCO GALAXY IV S.S.A.", with registered offices in the Municipality of Athens, 77 Athinon Avenue, with GEMI no. 154459701000 and T.I.N. 801326061,

- (h) the necessary liquidity in order to meet its previously undertaken contractual obligations: (i) in the context of securitizations by the securitization special purpose entities of law 3156/2003, with the corporate names “Orion X Securitization Designated Activity Company”, “Galaxy II Funding Designated Activity Company” and “Galaxy IV Funding Designated Activity Company” and (ii) in the context of the loan and/or guarantee relationship with the aforementioned Jersey company with the corporate name “Alpha Group Jersey Limited”.

4. EXCHANGE RATIO – CORPORATE PARTICIPATION IN THE BENEFICIARY

- 4.1. Upon completion of the Demerger and the Beneficiary’s incorporation, the latter’s share capital will amount to Euro five billion eighty-three million eight hundred twenty-four thousand four hundred ninety-six and 10 Eurocents (€5,083,824,496.10), divided into 50,838,244,961 common, registered shares with voting rights and of a nominal value of 10 Eurocents (€0.10) each. The Demerged Entity will receive all the Beneficiary’s shares.

- 4.2. The terms of the Demerger can only be considered as fair and reasonable since, according to the provisions of article 16 of law 2515/1997 and par. 3 of article 57 of law 4601/2019, the Demerged Entity will receive all the Beneficiary’s shares in return for the property to be transferred to the latter. In confirmation of the above, the Certified Auditor’s Report, whereby the present Draft Demerger Deed was examined, expresses an opinion as to whether the exchange ratio is fair and reasonable, as follows:

“Since, as per par. 3 of Article 57 of Law 4601/2019, “The demerger through hive-down with establishment of a new company or new companies is the act by which a company (demerged entity), without being dissolved, transfers to one or more companies that are simultaneously being incorporated (beneficiaries) the sector or sectors defined in the draft demerger deed, with the acquisition by the [demerged entity] of the shares of the beneficiary...” it is self-evident that there is no share exchange ratio and therefore there is no need to provide information on valuation considered for the determination of a proposed share exchange ratio. This demerger is fair and reasonable because the Demerged Entity will acquire all the Beneficiary’s shares in exchange for the contributed assets and liabilities.”

5. DELIVERY OF SHARES

- 5.1. Upon completion of the Demerger and the Beneficiary’s incorporation, the latter shall issue and deliver to the Demerged Entity the new share certificate/certificates incorporating all the shares issued by the Beneficiary.
- 5.2. The Beneficiary shall proceed with the necessary actions for the registration of the Demerged Entity in the shareholder registry maintained by the Beneficiary, pursuant to par. 2 of article 40 of law 4548/2018 and the provisions of the Articles of Incorporation of the Beneficiary.

6. **DATE OF PARTICIPATION RIGHT IN THE PROFITS**

The shares in the Beneficiary to be acquired by the Demerged Entity, as a result of the Demerger, will grant a participation right in the profits and in any distribution in general of the latter to its Shareholders, as of the Demerger Completion Date, in accordance with the terms and conditions of the legal and regulatory framework, as in force from time to time.

7. **HELLENIC FINANCIAL STABILITY FUND RIGHTS**

The Hellenic Financial Stability Fund (the “**HFSF**”) exercises:

- (a) its rights under the provisions of law 3864/2010, as in force after their latest amendment by virtue of the provisions of law 4701/2020, and
- (b) its rights under the provisions of the Relationship Framework Agreement (“**RFA**”) entered into between the HFSF and the Demerged Entity on 23.11.2015.

Given the Demerger and in order to maintain the existing rights of the HFSF under the law and the RFA and to enable the exercise thereof vis-à-vis both the Beneficiary and the Demerged Entity (in accordance with the provisions of paragraphs (j) and (k) of article 2 and paragraph 12 of article 10 of law 3864/2010, as amended by the provisions of law 4701/2020 and in force) the parties shall negotiate in good faith any amendments to the provisions of the RFA, in accordance with the first subparagraph of paragraph 4 of article 6 of law 3864/2010, as in force.

No provision of the present Draft Demerger Deed, as well as no corporate or other act, legal act, physical act or declaration made in the context of the Demerger process, including, among others, the final demerger deed, which shall be drawn by means of a notarial deed, may abolish, obstruct, impair or in any way restrict, directly or indirectly, the existing rights of the HFSF vis-à-vis the Demerged Entity and/or the Beneficiary.

8. **PARTICULAR ADVANTAGES**

No particular advantages are granted to the Certified Auditor, the Members of the Board of Directors of the Demerged Entity and its internal auditors, by the Demerged Entity’s Articles of Incorporation or by decision of its General Meeting of Shareholders, nor are any such advantages granted to the aforementioned and to the Members of the Board of Directors of the Beneficiary and its internal auditors, by the present Draft Demerger Deed.

9. **FINAL PROVISIONS**

- 9.1. The present Draft Demerger Deed will be published and submitted for approval to the General Meeting of the Demerged Entity, pursuant to articles 60 and 66 of law 4601/2019, respectively.

- 9.2. An information memorandum will be issued in relation to the Demerger, in accordance with article 4.1.3.12 of the Athens Exchange Rulebook, as in force, and the pertinent legislation governing the stock market.
- 9.3. All shareholders of the Demerged Entity shall have the right to be informed at the company's registered office, one (1) month prior to the General Meeting which will be convened in order to decide on the Demerger and until the end of such meeting, of the documents provided for in cases a, b, and d of par. 1 of article 63 of law 4601/2019, as well as the Transformation Balance Sheet and the Certified Auditor's Report.
- 9.4. The Demerged Entity and the Beneficiary undertake, following completion of the Demerger, to proceed with all necessary actions for the completion of the transfer formalities, according to the applicable provisions, of the rights, liabilities and legal relations of the Demerged Entity in general, to the extent that they relate to the Banking Business Sector.

In witness whereof, the present Draft Demerger Deed is drafted and legally executed by the Demerged Entity's representative.

Athens, 15.9.2020

FOR THE ALPHA BANK S.A.
BOARD OF DIRECTORS

L.A. PAPAGARYFALLOU

N.R. CHRYSANTHOPOULOS