

2023

CONDENSED INTERIM FINANCIAL STATEMENTS



FOR THE 3 MONTH PERIOD
ENDED 31/03/2023
(IN ACCORDANCE WITH
INTERNATIONAL ACCOUNTING
STANDARD 34)

DECEMBER 2023



**HELLENIC
FINANCIAL STABILITY
FUND**

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STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION

Amounts in '000€	Note	31/03/2023	31/12/2022
ASSETS			
Cash and balances with Banks	4	563,202	567,636
Financial assets at fair value through profit or loss	5	2,745,876	2,228,207
Property and equipment		925	976
Intangible assets		5	6
Accrued income receivable		3,669	-
Receivables from banks under liquidation	6	817,243	817,243
Other assets	7	329,630	329,197
Total Assets		4,460,550	3,943,265
LIABILITIES			
Other liabilities		3,760	4,968
Total Liabilities		3,760	4,968
EQUITY			
Capital		42,163,558	42,163,558
Accumulated losses		(37,797,097)	(38,315,590)
Other reserves	8	90,329	90,329
Total Equity		4,456,790	3,938,297
Total Liabilities & Equity		4,460,550	3,943,265

The Notes from pages 7 to 19 form an integral part of these interim financial statements.

Athens, 18 December 2023

The Chairman of the BoD

Andreas Verykios

The Chief Executive Officer

The Deputy Chief Executive
Officer

The Chief Financial & Operating
Officer

Ilias E. Xirouhakis

Nikolas Valantasis

Evangelia D. Chatzitsakou



HELLENIC
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STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME FOR THE 3-MONTH PERIOD ENDED 31/03/2023

Amounts in '000€	Note	01/01/2023 - 31/03/2023	01/01/2022 - 31/03/2022
Interest income	8	3,669	3,027
Personnel expenses	9	(1,391)	(1,387)
General administrative & other operating expenses	10	(1,353)	(1,512)
Gain from financial instruments at fair value through profit or loss	11	517,668	209,728
Depreciation and amortization of property, equipment, and intangible assets		(84)	(108)
Other income / (expenses)		(8)	33
Finance costs		(8)	(1)
Profit for the period		518,493	209,780
Total comprehensive income for the period		518,493	209,780

The Notes from pages 7 to 19 form an integral part of these interim condensed financial statements.

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HELLENIC
FINANCIAL STABILITY
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STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY

Amounts in '000€	Capital	Accumulated losses	Other Reserves	Total
Balance as of 01/01/2022	42,163,558	(38,456,213)	65,884	3,773,229
Profit for the period from 01/01/2022 to 31/03/2022	-	209,780	-	209,780
Balance as of 31/03/2022	42,163,558	(38,246,433)	65,884	3,983,009
Loss for the period from 01/04/2022 to 31/12/2022	-	(69,157)	-	(69,157)
Special reserve of ar.3, par.3 of HFSF Law (Note 7)	-	-	24,445	24,445
Balance as of 31/12/2022	42,163,558	(38,315,590)	90,329	3,938,297
Profit for the period from 01/01/2023 to 31/03/2023	-	518,493	-	518,493
Balance as of 31/03/2023	42,163,558	(37,797,097)	90,329	4,456,790

The Notes from pages 7 to 19 form an integral part of these interim condensed financial statements.



STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS

Amounts in '000€	01/01/2023 - 31/03/2023	01/01/2022 - 31/03/2022
Cash flows from operating activities		
Profit for the period	518,493	209,780
Adjustments for non-cash items included in statement of comprehensive income and other adjustments:	(518,650)	(211,905)
Interest Income	(3,669)	(3,027)
Gain from financial instruments at fair value through profit or loss	(517,668)	(209,728)
Payroll provisions and other accrued expenses	2,595	741
Depreciation and amortization of property, equipment and intangible assets	84	108
Finance costs	8	1
Net (increase) / decrease in operating assets:	(433)	233
Change in other assets	(433)	233
Net decrease in operating liabilities:	(3,655)	(520)
Change in other liabilities	(3,655)	(520)
Net cash used in operating activities	(4,245)	(2,412)
Cash flows from investing activities		
Purchase of property, equipment and intangibles assets	(33)	(5)
Net cash flows used in investing activities	(33)	(5)
Cash flows from financing activities		
Repayment of lease liabilities	(156)	(1)
Net cash flows used in financing activities	(156)	(1)
Net decrease in cash and cash equivalents	(4,434)	(2,418)
Cash and cash equivalents at the beginning of the period	567,636	887,284
Cash and cash equivalents at the end of the period	563,202	884,866

The Notes from pages 7 to 19 form an integral part of these interim condensed financial statements.



NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS



Note 1 | General Information

The Hellenic Financial Stability Fund (hereinafter “the Fund” or “HFSF”) was founded on 21/07/2010 under Law 3864/2010 (hereinafter “founding law” or “HFSF Law”) as a private legal entity and does not belong to the public sector, neither to the broader public sector. It has administrative and financial autonomy, operates exclusively under the rules of the private economy and is governed by the provisions of the founding law as in force. On a supplementary basis, the provisions of company Law 4548/2018 are applied as in force, provided they are not contrary to the provisions and the objectives of the founding law of the Fund. The purely private nature of the Fund is neither affected by the fact that its entire capital is subscribed solely by the Greek State, nor by the issuance of the required decisions by the Minister of Finance. According to Law 4389/2016, HFSF is a direct subsidiary of the Hellenic Company of Assets and Participations, however the administrative autonomy and independence of the HFSF is not affected according to the provisions of the Law 4389/2016. The Fund shall comply with the obligations arising from the Master Financial Facility Agreement (hereinafter MFAFA) signed on 15/03/2012 and the new FAFA signed on 19/08/2015. According to Law 4941/2022, the Fund’s tenure has been extended up to 31/12/2025.

According to the HFSF Law as amended and currently in force, the purpose of the Fund is (a) to contribute to the maintenance of the stability of the Greek banking system, for the sake of public interest and (b) the effective disposal of shares or other financial instruments held by credit institutions, which is based on a divestment strategy with a specific time horizon of definite and full implementation, which is determined in accordance with Article 8 of HFSF Law, and in principle does not extend beyond the Fund’s termination. HFSF exercises its shareholding rights deriving from its participation in the credit institutions to which it provides capital support, in compliance with the rules of prudent management of the assets of the Fund and in line with the rules of the European Union with respect to State aid and competition.

According to Law 4051/2012, as amended by Law 4224/2013, the Fund was liable to pay until 31/12/2014 the amount that the Hellenic Deposits and Investments Guarantee Fund (hereinafter HDIGF) would have paid for the process of the resolution of the credit institutions in accordance with Law 4261/2014, acquiring the right and the privilege of the HDIGF in accordance to paragraph 4 of Article 13A of the Law 3746/2009. According to Law 4340/2015 and Law 4346/2015, the Fund may grant a resolution loan as defined in the new FAFA of 19/08/2015 to the HDIGF for the purposes of funding bank resolution costs, subject to the provisions of the aforementioned facility agreement and in line with the European Union’s State aid rules.

As of the date of the issuance of the Fund’s interim condensed financial statements for the three-month period ended 31 March 2023, the Board of Directors comprised of the following members:

Board of Directors	POSITION
Andreas Verykios	Independent Non-Executive Member / Chairman
Ilias E. Xirouhakis	Executive Member / Chief Executive Officer
Nikolaos Valantasis	Executive Member / Deputy Chief Executive Officer
Fotis Kourmousis	Executive Member
Eleni Dendrinou	Independent Non-Executive Member
Konstantinos Tsatsaronis	Independent Non-Executive Member
Marco Giovanni Mazzucchelli	Independent Non-Executive Member
Michalis Kefaloyiannis	Non-Executive Member, Representative of the MoF
Vassilios Spiliotopoulos	Non-Executive Member, Representative of the BoG

The interim condensed financial statements were approved by the Fund’s Board of Directors on 18 December 2023.

Note 2 | Summary of Significant Accounting Policies

2.1 Basis of preparation

The interim condensed financial statements of the Fund for the three-month period ended 31/03/2023 (the “interim financial statements”) have been prepared in accordance with the International Financial Reporting Standard 34 “Interim Financial Reporting”. These interim financial statements include selected explanatory notes and do not include all the information required for full annual financial statements. Therefore, the interim financial statements should be read in conjunction with the annual financial statements for the year ended 31/12/2022, which have been prepared in accordance with the International Financial Reporting Standards (“IFRSs”) as endorsed by the EU.

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim period, except for the adoption of new and amended standards as set out in Note 2.2 below.

The amounts are presented in thousand Euro rounded to the whole, unless otherwise stated (i.e., “bn” stands for billion, “m” stands for million).

2.2 Adoption of International Financial Reporting Standards (IFRS)

2.2.1. New standards, amendments and interpretations to existing standards applied from 1 January 2023:

New standards effective from 1 January 2023

- **IFRS 17 Insurance Contracts and Amendments to IFRS 17** (effective for annual periods beginning on or after 1 January 2023). IFRS 17 was issued in May 2017, including amendments issued in June 2020 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of this standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has been endorsed by the EU but is not applicable to the Fund.

Amendments to existing standards effective from 1 January 2023

- **Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendment to IFRS 4)**
The amendment, which has been endorsed by the EU, introduces two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in the Statement of Other Comprehensive Income, rather than in the Income Statement, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued (i.e. the difference between the amounts that would be recognized in profit or loss in accordance with IFRS 9 and the amounts recognized in profit or loss in accordance with IAS 39) – “overlay approach” and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021 – “deferral approach”. The entities that defer the application of IFRS 9 will continue to apply IAS 39. This amendment is not applicable to the Fund as it has no insurance contracts.

The Amendment ‘Extension of the Temporary Exemption from Applying IFRS 9 (effective for annual periods beginning on or after 1 January 2021) extended the expiry date of the extension described above from 1 January 2021 to 1 January 2023.

- **IAS 1 and IFRS Practice Statement 2 (Amendments): Disclosure of Accounting Policies** (effective for annual reporting periods beginning on or after 1 January 2023). The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the ‘Four-Step Materiality Process’. The Fund is currently assessing the impact of this amendment but considering the fact that the significant accounting policies disclosed in Note 2 “Summary of significant accounting policies” in the Annual Report as at and for the year ended 31 December 2022 include all material accounting policies, the Fund expects to disclose fewer accounting policies in the next annual report.

- **IAS 8 (Amendment): Definition of Accounting Estimates** (effective for annual reporting periods beginning on or after 1 January 2023). The amendment replaces the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. There was no impact on the Financial Statements from the adoption of this amendment.
- **IAS 12 (Amendments): Deferred Tax related to Assets and Liabilities arising from a Single Transaction** (effective for annual reporting periods beginning on or after 1 January 2023). These amendments clarify and narrow the scope of the exemption provided by the IAS 12 “Income Taxes” standard allowing institutions to not recognise any deferred tax during the initial recognition of an asset and a liability. All leases and decommissioning obligations are excluded from the exemption scope for which companies recognise both an asset and a liability and will now have to recognise deferred taxes. Given that the Fund is exempted from income tax, these amendments have no impact on the Fund’s Financial Statements.
- **IFRS 17 (Amendment): Initial Application of IFRS 17 and IFRS 9 – Comparative Information** (effective for annual periods beginning on or after 1 January 2023). The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for the users of financial statements. This amendment is not applicable to the Fund.

The amendments to existing standards effective from 1 January 2023 have been endorsed by the European Union.

2.2.2. New standards and amendments to existing standards effective after 2023

- **IAS 1 (Amendments): Classification of liabilities as current or non-current** (effective for annual periods beginning on or after 1 January 2024). The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendments also clarify that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are expected to be effective for annual periods beginning on or after 1 January 2024 with early adoption permitted. The adoption of these amendments will have no impact on the Financial Statements of the Fund.
- **IFRS 16 (Amendment): Lease Liability in a Sale and Leaseback** (effective for annual periods beginning on or after 1 January 2024). The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. The requirements are applied retrospectively back to sale and leaseback transactions that were entered into after the date of initial application of IFRS 16. This amendment is not applicable to the Fund as it has no sale and leaseback transactions.
- **IAS 1 (Amendments): Non-current Liabilities with Covenants** (effective for annual periods beginning on or after 1 January 2024). The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period. The adoption of this amendment will have no impact on the Financial Statements of the Fund.
- **IAS 7 and IFRS 7 (Amendments) - Disclosures: Supplier Finance Arrangements** (effective for annual periods beginning on or after 1 January 2024). The amendments require companies to



disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information. The Fund is examining the impact from the above amendments.

- **IAS 21 (Amendments): The effects of Changes in Foreign Exchange Rates - Lack of Exchangeability** (effective for annual periods beginning on or after 1 January 2025). The amendments specify when a currency is exchangeable into another currency and when it is not and clarify how an entity determines the exchange rate to apply when a currency is not exchangeable. A currency is not exchangeable into the other currency if an entity can only obtain an insignificant amount of the other currency. When a currency is not exchangeable at the measurement date, an entity estimates the spot exchange rate as the rate that would have applied to an orderly transaction between market participants at the measurement date and that would faithfully reflect the economic conditions prevailing. Additionally, the amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The adoption of these amendments will have no impact on the Financial Statements of the Fund.

The amendments to these existing standards have not yet been endorsed by the European Union.

23 Critical Judgments and Estimates

In preparing these interim financial statements, the significant estimates, judgments and assumptions made by the Management in applying the Fund's accounting policies and the key sources of estimation uncertainty were similar to those applied in the annual financial statements for the year ended 31 December 2022.

Note 3 | Segment Reporting

The Fund's operating segments are consistent with the management reporting system. Income and expenses are associated with each segment and are included in determining business segment performance. The Fund has no geographical segments as, according to its founding law, its operations are solely in Greece. The Fund has no intersegment/intragroup transactions as it does not consolidate any of its investments and each of its business segments is independent. The Fund operates through the following business segments:

Systemic Banks: This segment includes all the financial institutions which had received capital advances and were eventually recapitalized by the Fund in 2013 and 2015 as per capital requirements, i.e. Alpha Bank, Eurobank, NBG and Piraeus Bank. Following their corporate transformation, Alpha Services and Holdings S.A., Eurobank Ergasias Services and Holdings S.A. and Piraeus Financial Holdings S.A. substituted the banks respectively. Other participations such as Cairo Mezz Plc, Phoenix Vega Mezz Plc, Sunrise Mezz Plc and Galaxy Cosmos Mezz Plc are also included in this segment. For more information see note 5.

Other Banks: This segment includes all other financial institutions in which the Fund participates as a result of the transfer to it of the common shares or cooperative shares in credit institutions, according to the last subparagraph of art. 27A of L.4172/2013.

Banks under Liquidation: This segment includes the banks which have been placed under liquidation and the Fund has provided for their funding gap on behalf of the HDIGF, in accordance with the Law 4051/2012 as amended by Law 4224/2013.

Other: This segment includes the Fund's results relating to internal operations and procedures which ensure the appropriate design and implementation of the Fund's policies and principles. It also includes the cash and balances with banks and the interest income derived from cash and balances with banks.



Analysis by Operating Segment

Amounts in '000€					01/01/2023- 31/03/2023
	Systemic Banks	Other Banks	Banks under Liquidation	Other	Total
Interest income	-	-	-	3,669	3,669
Personnel expenses	(602)	(413)	(44)	(332)	(1,391)
General administrative & other operating expenses	(507)	(54)	(27)	(765)	(1,353)
Gain from financial instruments at FVTPL	496,669	20,999	-	-	517,668
Depreciation and amortization of property, equipment and intangible assets	(3)	(1)	-	(80)	(84)
Other expenses	-	-	-	(8)	(8)
Finance Cost	(4)	(2)	(1)	(1)	(8)
Profit / (Loss) for the period	495,553	20,529	(72)	2,483	518,493

					31/03/2023
Total segment assets	2,653,562	92,314	817,242	897,432	4,460,550
Total segment liabilities	(2,356)	(205)	(22)	(1,177)	(3,760)

Amounts in '000€					01/01/2022- 31/03/2022
	Systemic Banks	Other Banks	Banks under Liquidation	Other	Total
Interest income	-	-	-	3,027	3,027
Personnel expenses	(572)	(375)	(41)	(399)	(1,387)
General administrative & other operating expenses	(869)	(177)	(12)	(454)	(1,512)
Gain/(Loss) from financial instruments at FVTPL	216,661	(6,933)	-	-	209,728
Depreciation and amortization of property, equipment and intangible assets	(24)	(12)	(5)	(67)	(108)
Other income	-	-	-	33	33
Finance Cost	(1)	-	-	-	(1)
Profit / (Loss) for the period	215,195	(7,497)	(58)	2,140	209,780

					31/12/2022
Total segment assets	2,156,893	71,315	817,243	897,814	3,943,265
Total segment liabilities	(1,363)	(2,253)	(16)	(1,336)	(4,968)



Note 4 | Cash and Balances with Banks

Amounts in '000€

	31/03/2023	31/12/2022
Cash and balances with banks	45	60
Balances with Central Bank	18	845
Cash management account in Bank of Greece	563,139	566,731
Total	563,202	567,636

Note 5 | Financial Assets at Fair Value through Profit or Loss

The balance includes the Fund's participations, as presented in the following table:

Amounts in '000€

	31/03/2023	31/12/2022
Participation in banks	2,719,275	2,207,266
Other participations	26,601	20,941
Total	2,745,876	2,228,207

Fair value of shares

The following table presents the fair value of the shares as well as the levels of the fair value hierarchy. The fair value of the shares in systemic banks and Attica Bank was determined based on the market prices in the Athens Exchange (ATHEX) at the reporting date. The fair value of the shares in Cairo Mezz Plc, Phoenix Vega Mezz Plc, Sunrise Mezz Plc and Galaxy Cosmos Mezz Plc was determined based on the EN.A. Plus segment of the Alternative Market of ATHEX. The Level 1 classification is based on the fact that the market prices are unadjusted quotes in active markets.

Fair value - Level 1

Amounts in '000€	31/03/2023	31/12/2022
Alpha Services and Holdings S.A.	237,531	211,138
Eurobank Ergasias Services and Holdings S.A.	63,382	54,945
National Bank of Greece S.A.	1,651,525	1,384,400
Piraeus Financial Holdings S.A.	674,523	485,468
Attica Bank S.A.	92,314	71,315
Participation in banks	2,719,275	2,207,266
Cairo Mezz Plc	471	385
Phoenix Vega Mezz Plc	14,854	13,166
Sunrise Mezz Plc	7,982	5,464
Galaxy Cosmos Mezz Plc	3,294	1,926
Other participations	26,601	20,941
Total	2,745,876	2,228,207



Note 6 | Receivables from Banks under Liquidation

Up to 31/03/2023 the total amount provided by the Fund to cover funding gap reached the amount of c. €13.5bn, out of which €813m were recovered and c. €11.9bn were assessed as non-recoverable. The funding gap, the cumulative impairment and the collections per bank under liquidation as of 31/03/2023 are presented in the following table:

Amounts in '000€				31/03/2023
Bank under Liquidation	Funding Gap	Cumulative Impairment	Cumulative Collections	Estimated Recoverable Amount
Achaiki Cooperative Bank	209,474	(124,389)	(57,000)	28,085
ATEbank	7,470,717	(6,349,769)	(549,500)	571,448
Dodecanese Cooperative Bank	258,548	(113,265)	(93,500)	51,782
Evia Cooperative Bank	105,178	(90,971)	(3,200)	11,007
First Business Bank	456,970	(429,466)	(13,500)	14,004
Hellenic Post Bank	3,732,554	(3,627,848)	(18,500)	86,206
Lamia Cooperative Bank	55,494	(26,893)	(17,600)	11,001
Lesvos-Limnos Cooperative Bank	55,517	(35,589)	(13,800)	6,128
Probank	562,734	(528,707)	(14,000)	20,027
Proton Bank	259,622	(248,032)	(8,838)	2,752
T-Bank	226,957	(223,604)	(3,353)	-
Western Macedonia Cooperative Bank	95,244	(60,441)	(20,000)	14,803
Total	13,489,008	(11,858,974)	(812,791)	817,243

Note 7 | Other Assets

Amounts in '000€		31/03/2023	31/12/2022
Prepayment for the SCI of Attica Bank S.A.		329,000	329,000
Prepaid Expenses		588	155
Guarantees		42	42
Total		329,630	329,197

On 22 December 2022, HFSF deposited, in an account held with the Bank of Greece in the name of Attica Bank, the amount of €329m classified in other assets as a prepayment of the HFSF for its participation in the share capital increase of the Bank that took place in April 2023. Upon the completion of the share capital increase on 24 April 2023, the amount was released and transferred to the Attica Bank's account for the SCI.

Note 8 | Other reserves

As of 31 March 2023, the Fund's other reserves amount to €90,329 thousand (31/12/2022: €90,329 thousand) and refers to the initial value at the date of the two transfers of Attica Bank's shares by the Ministry of Finance to HFSF without consideration due to triggering of the DTC law triggering in accordance with article 27A of Law 4172/2013.

Note 9 | Interest Income

A breakdown of the Fund's interest income for the 3-month period ended 31/03/2023 and 31/03/2022 is presented in the table below:

Amounts in '000€	01/01/2023 - 31/03/2023	01/01/2022 - 31/03/2022
Interest income from cash management account	3,669	3,027
Total	3,669	3,027

The interest income from cash management account derives from the return of amounts placed on repos, reverse repos, buy/sell back, sell/buy back with counterparty the Greek State in accordance with par. 11 (h) of the art. 15 of Law 2469/1997.

Note 10 | Personnel Expenses

The number of employees under payroll, including the executive BoD members, was 39 and 44 as of 31/03/2023 and 31/03/2022 respectively. The total personnel expenses for the 3-month period ended 31/03/2023 and 31/03/2022 are analyzed as follows:

Amounts in '000€	01/01/2023 - 31/03/2023	01/01/2022 - 31/03/2022
Salaries	(1,210)	(1,190)
Employer's contributions	(181)	(197)
Total	(1,391)	(1,387)

The average number of employees, including the executive BoD members, for the 3-month period ended 31/03/2023 and 31/03/2022 was 39 and 44 respectively.

Note 11 | General Administrative and Other Operating Expenses

Amounts in '000€	01/01/2023 - 31/03/2023	01/01/2022 - 31/03/2022
Utilities and rentals	(35)	(35)
BoD / General Council remuneration	(116)	(107)
Selection Panel remuneration	(23)	(22)
Lawyers' fees	(92)	(89)
Advisors' fees	(356)	(833)
Professionals' fees	(12)	(12)
Custody fees	(20)	(15)
Insurance fees	(487)	(278)
Other fees	(71)	(48)
Other expenses	(141)	(72)
Total	(1,353)	(1,512)

Based on the Fund's business and operational framework it is mandatory to acquire the services of reputable and expert advisors (legal, financial, etc.) who will safeguard the decision-making process which will be in the benefit of the public.

Note 12 | Gain/(Loss) from Financial Instruments at Fair Value through Profit or Loss

The figure includes the gains or loss resulting from the revaluation of the shares held in systemic banks, Attica Bank and other participations. The breakdown of the gain or loss by financial instruments for the 3-month period ended 31/03/2023 and 31/03/2022 is presented in the table below.

Amounts in '000€

01/01/2023 - 31/03/2023

01/01/2022 - 31/03/2022

Gain / (Loss) from shares		
Alpha Services and Holdings S.A.	26,393	8,234
Eurobank Ergasias Services and Holdings S.A.	8,437	8,885
National Bank of Greece S.A.	267,125	155,916
Piraeus Financial Holdings S.A.	189,055	42,200
Attica Bank S.A.	20,999	(6,933)
Cairo Mezz PLC	86	8
Phoenix Vega Mezz PLC	1,688	1,418
Sunrise Mezz PLC	2,517	-
Galaxy Cosmos Mezz PLC	1,368	-
Total	517,668	209,728

Note 13 | Related Party Transactions

Transactions with key management personnel

The members of the Board of Directors, as well as close relatives or companies controlled individually or jointly by them, did not enter into transactions with the Fund. The gross remuneration paid in the first 3 months of 2023 amounted to €226 thousand (first 3 months in 2022: €176 thousand). Furthermore, an amount of €25 thousand (first 3 months in 2022: €21 thousand) was paid for social security contributions.

Transactions and balances with banks

The fair value of the banks' shares held by the Fund as of 31/03/2023 amounted to €2,719.3m (31/12/2022: €2,207.3m).

The custody fees, paid to the banks, relating to shares held by HFSF, for the 3-month period ended 31/03/2023 and 31/03/2022 amounted to €19.8 thousand and €14.9 thousand, respectively.

Other fees, paid to the National Bank of Greece, relating to lease agreement amounted to €0.9 thousand for the 3-month period ended 31/03/2023 and 31/03/2022.



Note 14 | Post Balance Sheet Events

Following the reporting date of the interim financial statements, the following events related to the HFSF took place:

Attica Bank

On 2 February 2023, it was agreed between the HFSF, TMEDE and Rinoa LTD - Ellington Solutions S.A. the immediate exit of Rinoa LTD - Ellington Solutions S.A. from the Key Terms Agreement dated 30.09.2022, including the previous transaction agreements. On the same date, TMEDE entered into the Key Terms Agreement substituting the exiting entities, and as a consequence the agreement continued to be valid and binding for the HFSF and TMEDE.

Following that, on 20 April 2023, HFSF and TMEDE executed an exit agreement from the Key Terms Agreement and the previous transaction agreements (Exit Agreement). On the same date, a new investment agreement was concluded amongst the HFSF, Thrivest Holdings LTD ("Thrivest") being the new private investor who expressed its interest in participating in the Share Capital Increase ("SCI") by a letter of intent dated 18.01.2023, Pancreta Bank ("Pancreta") and Attica Bank, which set the commercial terms of their investment in the SCI and a side letter to the Pledge Agreement amongst the HFSF, Attica Bank and Bank of Greece which amended the Pledge Agreement was also executed.

The investment agreement included among others i) the participation of HFSF, Thrivest and Pancreta in the second SCI of €473.3m of Attica Bank; and ii) the roadmap for a subsequent merger of Attica Bank with Pancreta (the "New Bank"), subject to several conditions, including a third share capital increase in the New Bank.

On 24 April 2023, the amount of €329m which has been deposited as a prepayment of HFSF's participation in the SCI, was released and transferred to the Attica Bank's account for the SCI.

On 26 April 2023, the Bank announced that the share capital increase of €473.3m was successfully fully covered. More specifically, as per the announcement, 78% of the SCI was subscribed for by investors exercising their pre-emptive rights, with payment of a total amount of €369.6m (split among HFSF with c. €329.0m, e-EFKA with c. €39.8m and c. €0.9m from other existing investors). Furthermore, the unsubscribed shares (c. 22% of the SCI or €103.7m) were allocated as follows: (a) €33.8m were allocated to Pancreta, (b) €29.9m were allocated to Thrivest and (c) €40m were subscribed by other investors, that their percentage in the share capital of Attica Bank does not exceed 5%. As a result, the final subscription percentage of the SCI amounts to 100.00% and the amount of funds raised to €473.3m.

On 10 November 2023, following the conversion of 4,978,524 warrants issued by Attica Bank and held by the Greek State into 4,978,524 new ordinary registered shares with voting rights and a nominal value of €0.05 each in the share capital of Attica Bank and the transfer of such ordinary shares to the HFSF without consideration, in accordance with article 27A of Law 4172/2013 on Deferred Tax Credit as amended and currently in force, the HFSF, as of 13 November 2023, holds 36,279,370 ordinary shares with voting rights and a nominal value of €0.05 each, corresponding to 72.54% of the total ordinary shares and voting rights of Attica Bank. Upon the completion of the transaction, the Fund's other reserves were increased by c. €58.2m, i.e. the value of the 4,978,524 shares at the price of €11.70 which was the Attica Bank's share price on 13 November 2023, date of transfer of these shares, in accordance with the provisions of art.3 par.3 of HFSF Law.

Divestment from Eurobank Ergasias Services and Holdings S.A.

Following Eurobank Ergasias Services and Holdings ("Eurobank") initial binding offer dated 22 September 2023 for the acquisition of shares via a targeted share buy-back which after discussions was set at a price of €1.80 per share, and a parallel competitive process launched on 25 September 2023 and completed on 6 October 2023, the HFSF sold its entire stake in Eurobank for c. €93.7m.

This pertains to the completion of the first divestment of HFSF's holding, in line with the HFSF Divestment Strategy, with a premium of 18.4% to the closing price of the share on the Athens Stock Exchange on 22 September 2023 (date of initial binding offer), and a premium of 27.3% to the closing price of the share on the Athens Stock Exchange on 6 October 2023 (end date of the competitive process). Following the conclusion and settlement of the transaction, the HFSF does not participate in the share capital of Eurobank and the term of its representative in Eurobank's Board of Directors was immediately terminated.



On the same date, the tripartite relationship framework agreement executed amongst the HFSF, Eurobank and Eurobank S.A. on 23 March 2020, was also automatically terminated.

Divestment from Alpha Services and Holdings S.A.

On 13 November 2023, the HFSF sold its entire stake in Alpha Services and Holdings S.A., namely 211,138,299 common registered shares (the “Shares” and each a “Share”), corresponding to 8.9781% of Alpha’s paid-up share capital and voting rights, to UniCredit S.p.A., pursuant to a share purchase agreement entered into between HFSF and UniCredit on 12 November 2023.

The transaction followed the completion of a competitive process launched by HFSF on 30 October 2023, triggered by a binding offer from UniCredit for the acquisition of the Shares (the “UniCredit Offer”) received by HFSF, on 23 October 2023.

UniCredit purchased all of the Shares at a price of €1.39 per Share, representing a premium of 9.4% to the undisturbed closing price of the Shares on the Athens Stock Exchange on 20 October 2023, being the last business day prior to the receipt of the UniCredit Offer, and a discount of 0.4% to the closing price of the Shares on the Athens Stock Exchange on 10 November 2023.

Following the conclusion and settlement of the transaction, the HFSF received the total consideration of c.€293.5m, does not participate in the share capital of Alpha Bank and the term of its representative in Alpha Bank’s Board of Directors was immediately terminated.

Divestment from National Bank of Greece S.A.

On 12 November 2023, the Fund’s BoD approved, inter alia, the disposal of a stake of 20% shareholding in NBG, corresponding to 182,943,031 common registered voting shares with a nominal value of €1.00 each in the share capital of NBG, which the HFSF could increase in its sole discretion by up to 18,294,303 ordinary shares (the “Upsize Option and all the shares offered pursuant to the Offering the “Offer Shares”), at an offering price (the “Offer Price”) ranging between €5.00 and €5.44 per each Offer Share. The Offer Shares were offered in parallel through:

- a) a public offering in Greece to Retail Investors and Qualified Investors (the “Greek Public Offering”)
- b) outside Greece (i) in the United States of America, to persons reasonably believed to be qualified institutional buyers and (ii) outside of the United States, to certain other institutional investors (the “International Offering”)

The Offering was completed on 16 November 2023. HFSF fully exercised its Upsize Option, thus a total of 201,237,334 Offer Shares were offered in the Offering. Pursuant to a decision of the HFSF’s BoD made on 16.11.2023, the Offer Price was set within the price range (€5.00 – €5.44), at €5.30 per Offer Share.

Taking into account valid subscriptions only, the total demand that was expressed in the Offering (i.e. in aggregate through the Greek Public Offering and the International Offering) amounted to 1,617,300,838 Offer Shares, exceeding the 201,237,334 Offer Shares to be disposed through the Offering (following full exercise of the Upsize Option by the HFSF), by approximately 8.04 times.

HFSF’s total gross proceeds raised from the Offering, before deducting the expenses of the Offering borne by the HFSF, amount to c.€1,066.6m and the HFSF’s shareholding in NBG was decreased from 42.39% to 18.39%.

Composition of the HFSF’s BoD

On 31/05/2023, Mr. Christof Gabriel Maetze resigned from his position as Independent Non – Executive Member of the BoD.

On 27/09/2023, Mr. Panagiotis Tridimas resigned from his position as Non-Executive Member of the BoD, Representative of the MoF which was effective as of 10/10/2023.

On 10/10/2023, Mr. Michalis Kefaloyiannis was nominated by the MoF as Non-Executive Member of the BoD, replacing Mr. Panagiotis Tridimas.

On 06/11/2023, Mrs. Eleni Dendrinou was nominated as Non-Executive Member of the BoD, replacing Mr. Christof Gabriel Maetze.



Dividend Income from Phoenix Vega Mezz Plc

On 6 December 2023, HFSF received the amount of c. €4.9m which corresponds to €0.0144 per share that the Fund holds in the company named “Phoenix Vega Mezz Plc”, following the decision of the General Meeting of the company’s shareholders dated 12 July 2023 for the share capital decrease with the reduction of the share’s nominal value and the return of capital to the shareholders via cash distribution.

Dividend Income from Sunrise Mezz Plc

On 6 December 2023, HFSF received the amount of c. €2.8m which corresponds to €0.0588 per share that the Fund holds in the company named “Sunrise Mezz Plc”, following the decision of the General Meeting of the company’s shareholders dated 12 July 2023 for the share capital decrease with the reduction of the share’s nominal value and the return of capital to the shareholders via cash distribution.





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