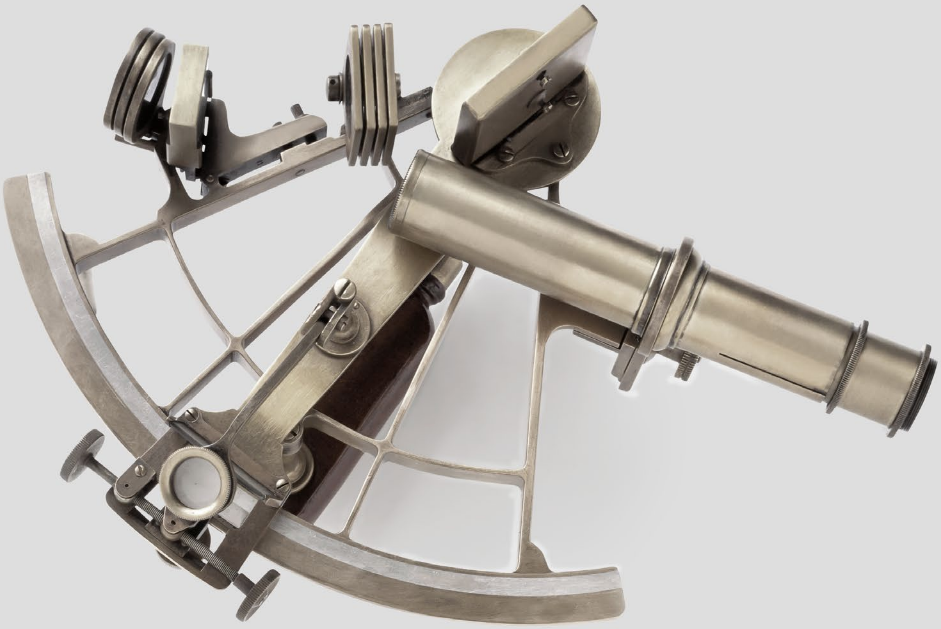
EUROBANK
Private Bank Luxembourg

Annual report 2021



Annual accounts for the year ended December 31, 2021

(with the report of the Réviseur d' Entreprises agréé thereon)

Table of contents

Introduction

Eurobank Private Bank Luxembourg is an autonomous bank incorporated under Luxembourg law and supervised by the Commission de Surveillance du Secteur Financier in Luxembourg (CSSF), the European Central Bank (ECB) and for our London Branch, the Prudential Regulation Authority in the United Kingdom (PRA). Throughout 2021 our Bank's capital adequacy and liquidity buffers remained very high, with a Liquidity Coverage Ratio (LCR) of 410% (regulatory minimum of 100%) and a strong capital base, as manifested by a Basel II solvency ratio of 25.2% comprised of Tier 1 Equity (well above regulatory minimum of 11.01%) and an asset book of EUR 2.8 billion, as of the end of 2021. Furthermore, in the context of our conservative risk approach, interbank exposure to European periphery was kept to a minimum. Our Bank's strong capital, ample liquidity and operational independence, combined with Luxembourg's AAA rating, provide our clients with the necessary peace of mind to pursue their Private Banking and Wealth Management goals. Whether through our headquarters in Luxembourg or our London branch, our highly experienced and dedicated teams offer an array of exclusive services with transparency and discretion.

Luxembourg

Our bank in Luxembourg, with more than thirty years in operation, focuses on private banking, investment fund services as well as selected corporate banking services. Our comprehensive offering extends beyond traditional wealth management to wealth structuring, alternative investment strategies, and financing of various types of assets, from securities to real estate and yachts. Recognising that our clients have diverse needs and aspirations, we take a highly personalised approach in developing individual solutions and fostering long lasting relationships of trust.

United Kingdom

Our London branch, acquired six years ago, brings our offering to the center of global finance. Through our UK presence, we are addressing private clients with local and international banking needs, as well as companies with international activities. From residential and commercial property lending to wealth management mandates, our London clients enjoy the same high level of individual attention that our Bank has been known for over the years.

Overall, Luxembourg's ranking as Eurozone's top private banking hub and second biggest center for investment funds worldwide, combined with London's global reach allow our clients to benefit from an ever expanding range of possibilities, while still enjoying the exclusive service that our Bank excels in.

As of 1 April 2022

Board of Directors

Mr. François RIES	Chairman
Mr. Nikolaos KARAMOUZIS	Vice Chairman
Mr. Charalambos HAMBAKIS	Managing Director, CEO
Mr. Robert KYPRIANOU	Director
Mr. Michalis LOUIS	Director
Mr. Christos ADAM	Director
Mrs. Lorraine Sedgeswick SCARAMANGAS	Director
Mr. Nicholas John TESSEYMAN	Director
Mr. Théodore ECONOMOU	Director
Mr. Georgios KATSAROS	Director
Mrs. Helen FOTINEAS	Secretary to the Board

Authorised Management

Mr. Charalambos HAMBAKIS	Managing Director, CEO
Mrs. Dimitra SPYROU	Chief Operating Officer
Mr. George CALLIGAS	Head of Global Markets & Institutional Services

Executive Committee

The Authorised Management

Mr. George HATZINIKOLIS	Chief Risk Officer
Mr. George CHANIOTIS	Chief Financial Officer
Mrs. Helen FOTINEAS	Secretary to the Executive Committee

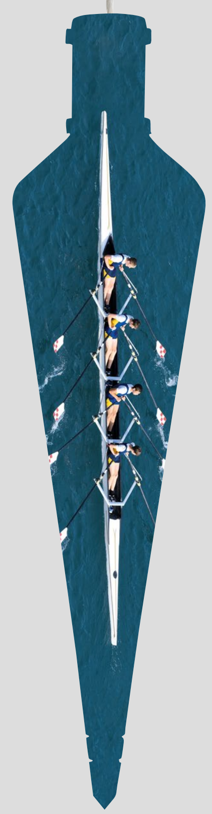
Directors' Report

While the overwhelming spread of the pandemic and the related unprecedented policy measures monopolized the spotlight in 2020, year 2021 was dominated by the impressive progress and effectiveness of vaccination campaigns globally. As a result, the world turned increasingly optimistic about the future, with global economic activity staging a V-shaped recovery, boosted by monetary and fiscal stimulus of historic proportions. Nevertheless, such measures sparked an inflation surge, not seen in decades, compounded by the pandemic's disruptions to supply chains worldwide, labor shortages and the transition to green energy. Policy makers had to change their stance from labelling elevated inflation "transitory" to accepting it as "persistent", and enter the balancing act of signaling steep monetary tightening without disrupting the still fragile post-pandemic recovery towards the end of 2021. As a result, the practically uninterrupted global rally in financial assets since the middle of 2020 started losing its momentum towards the end of the year, with the most speculative segments of the market particularly affected. Nonetheless, overall global economic activity and financial markets did demonstrate relative resilience in the prospect of a rather fast removal of the emergency support from central banks and governments, only to ''stumble'' on geopolitical shockwaves triggered by Russian aggression in Ukraine at the beginning of 2022.

In 2021 Luxembourg remained the third-wealthiest country in the world in terms of GDP per capita (the first in the EU), having one of the highest current account surpluses as a share of GDP in the Eurozone. In 2021 the GDP growth is expected to be close to 7% for the full year, although this high growth figure comes on the back of the slump caused by the pandemic in 2020 (-1.8%). Nevertheless, the recovery from the Covid-19 global health crisis is marked by difficulties in adjusting supply on demand. The bottlenecks affecting the global industry seem to be weighing on the local market where output has stagnated this year. This, in conjunction with the rising energy prices, especially since the end of 2021, are widening the inflationary pressures which may lead Central Banks to accelerate or schedule the tightening of their monetary policies.

The gradual release of the measures taken to address the pandemic caused Luxembourg's general government balance as % of GDP to improve from -4.1% in 2020 to -1.3% in 2021 and is expected to slow down further to -0.3% in 2022. The country's public debt-to-GDP ratio, among the lowest in the region, increased to 26.3% in 2021 from 24.8% one year earlier. This trend is expected to slow in 2022 and 2023 with 26.7% and 26.8%, respectively. On the inflation front, following a zero inflation rate in 2020, prices increased significantly in 2021, reaching a 3.5% annual rate. Inflation is forecast at 3.8% and 1.5% in 2022 and 2023, respectively, underpinned by the rising energy prices as well as prices for non-energy goods and services. Unemployment decreased from 6.3% in December 2020 to 5.1% in December 2021 and has already surpassed pre-pandemic levels.

In 2021 Eurobank Private Bank Luxembourg remained vigilant with its pandemic contingency measures ensuring (i) the health of our staff and communities in all our locations, (ii) uninterrupted high quality service and support to our clients, and (iii) the operational and financial strength of our Bank. Throughout 2021 our Bank's capital adequacy and liquidity buffers remained very high, with Basel III solvency ratio at 25.21% and unencumbered liquidity buffers at EUR 0.90 bn, as of the end of 2021.
The strong financial position of our Bank, its conservative risk posture, its operational independence and resilience, as well as its stable client base, have shielded it from the macroeconomic challenges posed by the Covid-19 pandemic that dominated the last two years. We are pleased to present our report for the year ending December 31, 2021.



2021 Global Overview

After a Covid-19-induced sharp contraction of -3.1% in 2020, the global economy recovered by a notable expansion of 5.9% in 2021, supported by accelerating vaccine rollouts, especially in the advanced economies, highly accommodative monetary policy, ample fiscal stimulus, a pick-up in trade growth and continued adaptation of economic activity to subdued mobility. The global GDP growth deceleration in early 2021 gave way to a strengthening momentum in Q2 as containment measures gradually eased; economic recovery lost some of its stream in the late months of the year due to fresh pandemic outbreaks and supply-chain bottlenecks. Meanwhile, inflation increased sharply and became broad-based amid persistent bottlenecks in production chains, labour shortages and rising energy and commodity prices. Inflation actually proved stronger and more persistent than initially expected, forcing a number of major CBs to take a hawkish tilt, opening the way for an earlier than originally anticipated normalisation of their monetary policy.

In the US, the economy grew by 5.7% in 2021, the fastest pace since 1984, after contracting by 3.4% in 2020, the biggest decline in 74 years. The increase in real GDP in 2021 reflected increases in all major components, led by personal consumption expenditures (PCE), non-residential fixed investment, exports, residential fixed investment, and private inventory investment, while imports also increased. The increase in PCE (+7.9% in 2021 from -3.8% in 2020) was driven by both goods and services, with the latter recovering from a contraction in 2020, due to the sector's high sensitivity to the pandemic. Non-residential fixed investment (+7.4% in 2021 against -5.3% in 2020) grew mostly on increases in equipment and intellectual property that were partly offset by a decrease in structures, while the increase in residential fixed investment (+9.1% in 2021 from +6.8% in 2020) mainly reflected strength in new single family construction. Finally, export growth (+4.6% in 2021 from -13.6% in 2020) reflected an increase in goods exports, partly offset by decreasing exports in services. Unemployment stood at 3.9% at the end of the year, improved by 2.8pps year-on-year (YoY), approaching pre-pandemic levels (3.5% of the labour force in Feb-20). By the same token, inflation soared, with the CPI annual change at 7.1% in Dec-21, and core CPI up by 5.5% over the same period.

In the Eurozone, GDP expanded by 5.2% in 2021 after an unprecedented decline of 6.4% in 2020, reaching its pre-crisis level in Q4, on stronger momentum in the second half of the year. Among expenditure components, household consumption (3.5%YoY) and investment (6.2%YoY) were among the key growth drivers, adding 1.8ppts and 1.4ppts to 2021 GDP growth, respectively. Labour market conditions also improved markedly, with the unemployment rate declining by 1.2ppts over the course of the year to a record low of 7.0% in December. The strong resumption of economic activity has been accompanied by a hefty increase in inflation, with the average headline HICP rate of change hitting a decade high of 2.6% and that of core CPI a nine-year peak of 1.5%. The general government deficit is expected to narrow only marginally (7.1% of GDP) on the back of the still high level of support provided to households and firms, while gross public debt is seen reaching a peak at 100%-of-GDP before starting to decline in 2022. On its part, the ECB held rates steady throughout 2021 and took the first step toward a very gradual reduction in pandemic-related policy support, announcing in December its decision to discontinue its asset purchases under the PEPP at the end of March 2022.

In Greece, after a sharp economic contraction of 9.0% in 2020 (second worse in Eurozone after Spain's), the economy recovered sharply in 2021 on government support, increased resilience in the 2nd lockdown and a better-than-expected tourist season. As per EC's winter forecasts (Feb-22), real GDP growth is estimated at 8.5%, 4.9% and 3.5% in 2021, 2022 and 2023 respectively. Nevertheless, the ongoing energy crisis, high geopolitical tensions, and the pandemic constitute major sources of uncertainty, especially for 2022. The labour market improved, with unemployment decreasing to 14.8% in 2021 from 16.4% in 2020. Inflation (HICP) increased to 0.6% in 2021, from -1.3% in 2020, on price pressures late in the year. Parallel to the steep recovery, the year 2021 was marked by the persistence of the "twin deficits". The current account deficit, after jumping to 6.6% of GDP in 2021 from 1.5% of GDP in 2019, remained high at 6.0% of GDP in 2021. Finally, on the fiscal front, the primary deficit is estimated at 7.6% of GDP, as per the latest Enhanced Surveillance Review published on February 2022.

Key Financials

Review of financial statements 2021

a) Balance Sheet

The Bank's total assets at year-end 2021 were higher (+10.9%) compared to 2020 and amounted to EUR 2838.3 mn. In a further breakdown of the total assets, the Loans and advances to customers have increased by +2.3% to EUR 1506.6 mn and the Loans to institutions have increased by +19.7% to EUR 1146.3 mn. On the other hand customer deposits increased by +23.9% compared to 2020, from EUR 1485.2 mn to EUR 1839.6 mn. This increase, coupled with the new TLTRO funding of EUR 25 mn were the main drivers of the overall increase in the Balance Sheet. The total capital base stands at EUR 249.5 mn (all Tier 1).

During 2021, the Company has not acquired any of its own shares and has not carried any activities in the field of research and development.

b) Income Statement

The Bank's net profit after taxation for the financial year 2021 remained stable compared to 2020 and amounted to EUR 8.85 mn. The main items contributing to this result are the Net Interest Income which has increased by +6.1%, from EUR 26.5 mn in 2020 to EUR 28.1 mn in 2021, and the Net Commission income which has increased by +8.0% compared to 2020 and amounted to EUR 7.4 mn. The above increased core banking profitability was mainly offset by the increase of the General Administrative Expenses by +2.7% from EUR 21.7 mn in 2020 to EUR 22.3 mn in 2021.

Distribution of Profits:

The Board of Directors proposes that the 2021 annual accounts are approved, and that the Total Net Profit available for distribution be appropriated as follows:

Profit for the financial year 31/12/2021	EUR	8 848 640
Profit brought forward	EUR	158 604 017
Interim Dividend	EUR	(20 000 000)
Total net profit available for distribution	EUR	147 452 657
Allocation to Legal Reserve	EUR	-
Allocation from Special Reserve	EUR	693 206
Profit carried forward	EUR	148 145 863

Risk Management Overview

The Board of Directors considers Risk Management as an integral part of the Bank's 3-lines-of defence Model that ensures sound and prudent business management, including the risks inherent in them:

- The 1st line of defence consists of the Business Units (Private Banking, Corporate Banking, Funds, Global Markets, London Branch, Depositary) and the support functions (IT, Back Office, Middle Office, Loans Administration) that take or acquire risks under predefined controls and limits, and carry out the first level of controls as described in their respective procedures.
- The 2nd line of defence is formed by the Support Functions (Finance/Accounting, Governance & Controls, Information Security, Human Resources), and the Control Functions (Risk, Compliance) which exercise independent controls.
- The 3rd line of defence consists of the Internal Audit Function, which independently, objectively and critically reviews the functions of the first 2 lines of defence.

The aim is to ensure that all risks assumed in the context of the Bank's business are recognized instantaneously and are properly managed. We achieve this by fully integrating risk management into daily business activities and developing our business consistently with a defined risk appetite, allowing us to achieve sustained growth in a controlled environment.

The strategy of the Bank is based on its core activities: Private Banking, Investment Fund Administration business, Depositary, Treasury and General Banking (Corporate Loan referrals, Shipping Loans and London Branch). Our Bank continuously identifies the risks inherent in its operations and has adopted processes for how they are to be managed.

The risk process also provides a clear description of the Bank's risk profile, which serves as the basis for the internal capital and liquidity adequacy assessment process. These processes, in turn, are an evaluation based on capital and liquidity needed to support the Bank's overall risk level and business strategy. The aim is to ensure efficient use of capital and liquidity, and at the same time ensure that the Bank, even in adverse market conditions, will meet the minimum legal capital and liquidity requirements.

The Bank's risk appetite is determined by the Board of Directors which aims for a balance between risk/return and capital. The risk appetite can be described in terms of a number of overall statements. These statements applied and were honoured in 2021, and guided the risk and business positioning of the Bank.

The Bank has adopted a Risk Management Framework that complies with the provisions of Circular CSSF 12/552, as subsequently amended, on "Central administration, internal governance and risk management".

The Bank is a member of the Eurobank Group, and to that effect all specific Risk Policies must abide by local regulations, be approved by the Board of Directors, but also be compliant with Group Policies. As such, and in order to assist the Board of Directors in approving the Bank's risk-taking and associated capital assessment, the Capital, Risk and Liquidity Policy, as well as Credit approval limits and accepted collateral, must first be ratified by the Group and then approved by the Board of Directors.

The degree of control and influence exercised by the headquarter and the Group, formally or informally, is effective in identifying and mitigating risks, as there are regular controls of all of the Bank's activities (including Risk Management, Compliance, Finance, Investment Strategy and Products). Group standards are implemented and used in all of the activities (including products and services) of the Bank.

The system for measurement of risks is an essential part of risk management. Market risks are quantified by using Value-at-Risk (VaR) complemented by various types of sensitivity measures. Credit risks are quantified through the internal rating system in combination with assessments based on local competence. The Bank, for Risk Management purposes, in direct compliance with Group policies, has adopted an IFRS 9 Impairment methodology, and calculates the Expected Credit Loss of its exposures, and respective Provisions, on an on-going basis. Liquidity risks are monitored on a daily basis by conducting stress tests on the possibility of significant liquidity outflows and the existence of adequate unencumbered liquid assets to service these. Moreover, the Bank calculates on a monthly basis, and abides with, the regulatory Liquidity Coverage Ratio. As all risks, operational risks are evaluated on the basis of the likelihood that an event will occur and the financial consequence of such an event. The Board of Directors approves on a yearly basis the Bank's Internal Capital and Liquidity Adequacy Assessment Processes (ICAAP and ILAAP), which incorporate, among other analysis, evaluation and stress testing of the aforementioned risks, so as to ensure the continuous maintenance of adequate Capital and Liquidity.

The Risk Management of the Bank is the responsibility of the Chief Risk Officer (CRO), who is aided in this function by a dedicated Risk Department. The Risk Department reports to the CRO and has a direct reporting line to Group Risk. The remuneration of the Department's staff is not linked to the performance of the activities monitored and controlled. The Bank's risk management function covers the measures for early identification of risk, risk control and risk monitoring with regard to banking risks.

The Bank has in place a contingency plan, where all strategies and actions are in place in order to be able to respond to any extreme adverse scenario coming from a financial turmoil, Brexit and European Sovereign debt crisis.

Covid-19 Risk Management Response and Overview

a) Credit Risk

As of 31/12/2021, all Covid-19 moratoria expired, while only €6.0mn loans requested additional relief measures.

b) Operational Risk

The Bank followed all government, regulatory and Group guidelines and adopted its modus operandi in a way that allowed it to preserve the health of its employees and clientele, and continue operating efficiently with the least disruption possible to the service level offered to its clientele.

c) Liquidity Risk

The Bank witnessed significant deposit inflows, which funded the increased demand for loans and resulted in an increase in its unencumbered liquidity buffer. At the same time, the Bank participated in the TLTRO-III of ECB for €245mn, aiming to provide stable funding for a period of 3 years, thus improving its long-term liquidity profile

d) Capital Adequacy

The Bank's Capital Adequacy ended the year at lower level compared to the one that was estimated during last year's ICAAP due to a larger than projected dividend distribution. The ratio remained significantly higher than the minimum regulatory requirement.

Global Economic Outlook for 2022

The global economy continues to recover but has lost some momentum, starting 2022 in a weaker position than previously expected, as the reintroduction of mobility restrictions in the winter, rising energy prices and continued supply shortages remain a drag on growth. Assuming that supply bottlenecks dissipate over the course of the year, the pandemic situation comes under control in the spring, and geostrategic frictions fade away, economic activity is set to rebound strongly from mid-2022. For the whole year, we expect global GDP growth at 4.3%, moderating from 5.9% in 2021, as the momentum from the strong rebound after reopening eases, pandemic-related fiscal stimulus wanes and several major Central Banks shift to a less accommodative monetary policy stance amid stronger and longer-lasting inflation pressures. Risks to our baseline scenario are skewed to the downside. The potential emergence of new Covid-19 variants, higher energy prices and wage pressures in certain major economies raise uncertainty about the inflation outlook, while geopolitical tensions remain elevated.

In the US, after the strong real GDP growth reading for Q4-2021 (+7%YoY), output is expected to slow in Q1 2022 due to the sharp rise in COVID-19 cases at the beginning of the year and the ensuing labour and materials' supply constraints that are resolving slowly. Activity growth is expected to accelerate later in the year, as supply conditions normalise and supply-driven inflation slows, pinning the real GDP growth rate projection for 2022 at 3.9%. The March FOMC meeting delivered a clearly hawkish message, which caused a rapid repricing of future interest rate hike expectations and increased volatility in fixed income markets. In short, two years after cutting to zero, the Fed raised rates by 0.25%, with the market pricing six additional hikes in 2022, towards a terminal rate of 2.75% in 2023. Moreover, the Fed indicated that quantitative tightening could start as early as May and may be accompanied by a 0.50% hike, if needed.

In the Eurozone, after a soft patch in Q1, economic activity is expected to rebound from mid-2022, with GDP growing by 4.0% for the whole year, mostly supported by private consumption amid an improving labour market, a pick-up in wage growth, still high excessive savings, favourable financing conditions and EU fund absorption from the Recovery and Resilience Fund (RRF). Inflation is anticipated to remain high for longer than originally anticipated, increasing to 3.5% in 2022 after reaching a peak in Q1 and gradually moderating thereafter, especially in Q4, on an assumed easing of pressures from energy prices and supply constraints.

Business Outlook 2022

Eurobank Group

The Eurobank Group is a universal banking group offering services and products across all activities: Household lending, Business Lending, Transactional banking and Payments, Global Markets and Investment Banking, Wealth management and Bancassurance.

Eurobank has a diversified business model which includes Greek banking operations, Real estate Investment property operations and presence outside Greece in Bulgaria, Cyprus, Serbia and in Luxembourg. As a result of the material size of the non-Greek operations, Eurobank has a diversified revenue stream which is a strategic priority. More specifically, 65% of the core pre-provision income is originated from banking activity in Greece, 30% from the activities in the regional banks and 5% from an investment real estate portfolio.

Eurobank priorities going forward are to:

- Finance the new growth cycle
- Maintain the leading position in fee business
- Leverage digital and data
- Generate sustainable returns and reinstate dividends
- ESG: Support green transition and financial inclusion

Business Outlook

Luxembourg is the premier private banking centre in the Eurozone and the second largest fund centre in the world. The success of the financial centre is founded on the social and political stability of the Grand Duchy, its AAA rating and a modern legal and regulatory framework that is continuously updated, through regular consultation among the government, the legislator and the private sector. The centre's multilingual and multicultural specialist teams have a long tradition of financial expertise and extensive knowledge of the needs of international clients. Furthermore, the country's broader financial sector operates under a strong culture of investor protection and rigorous anti money-laundering policies. These strengths, combined with Luxembourg's openness to the world and strategic location, have attracted international banks, insurance companies, investment fund promoters and specialist service providers. As the post-Brexit reality for financial services settles in, Luxembourg's role in the global financial industry, especially as it relates to accessing the EU economy and markets, is expected to increase further.

On the UK front, 2022 marks the first pandemic year after Brexit with a strong outlook for the country's economy and markets. The UK Branch of the Bank has in place the necessary regulatory permissions (both by SSM/CSSF, as a Third Country Branch, and under PRA's Temporary Permissions Regime) and will maintain the targeted nature of its operations, focusing mostly on financing UK properties and attracting deposits (including from EU clients with a UK business nexus). The Branch is projected to be a center-pillar in servicing the UK business needs of clientele from Eurobank Group's subsidiaries, of UK-based Greeks and Cypriots (especially given the changing post-Brexit business plans of other UK banks) and of the shipping community. The Branch's business is poised to benefit from the quicker rebound of the UK economy, from the Covid-19 crisis, and the long-standing global financial center status of London.

Overall, our Bank is entering 2022 in a strong position. In particular:

1. Our Bank, an autonomous organization incorporated under Luxembourg law and regulated by the European Central Bank (ECB) and the "Commission de Surveillance du Secteur Financier" (CSSF), is armoured with an exceptionally strong capital position, ample excess liquidity, a self-sufficient operating model.
2. Through our experienced bankers, expert teams and robust infrastructure we offer a comprehensive and up-to-date range of products and services in Private Banking, Wealth Structuring and Management, and Funds Administration, as well as selected Corporate Banking services. Over our thirty six years of history we have remained committed to our client-centric model, mastering how to convert our offering to tailored solutions that create strong value for our clients and trust in our Bank.
3. With locations in Luxembourg and London, and presence in Greece, our Bank is positioned to cover clients in a wide geographical area, especially in Southeast Europe, the UK and Luxembourg. Luxembourg's strength as Eurozone's top Private Banking centre, combined with London's global reach, afford our clients access to an especially broad realm of possibilities.
4. Furthermore, the extensive upgrade cycle of the Bank's systems and technology landscape, launched in 2020, is well on track, despite the pandemic's disruptions. This substantial investment and related transformation, to be fully implemented over the next two years, will significantly enhance the Bank's strategic position in terms of operational efficiency, digital channels and services, and superior overall client experience.

While Covid-19's extraordinary challenges have greatly subsided, allowing for a significant recovery of social and economic activity in the last few months, 2022 presents new challenges, as the spectre of high inflation and unsettling geopolitical tensions are taking hold. Such challenges, unseen for decades, are expected to affect global economic activity, and traded / financial assets in particular, with inflation and a new cold war reality weighing on markets. On the other hand, the acceleration of technology adoption induced by the pandemic, combined with the new opportunities of the post-pandemic global recovery will drive new and broader client needs and aspirations. In that backdrop, our plan for 2022 builds on our particular strengths and niche positioning to grow our business and profitability, while staying highly vigilant with respect to emerging risks and challenges,. More specifically, our efforts for the current year will focus as follows:

(i) We intend to continue our growth in new clients and funds under management through our Private Banking and Fund Services platforms, leveraging our exclusive client service and innovative offering, our broad geographical footprint and our expanding relationship and referral networks. Our Group's strong and renewed commitment to Private Banking and Asset Management will remain an additional strategic advantage in this effort.

(ii) We will continue to evolve our broad offering in Investment advisory and structuring, through timely and innovative new products and services. In parallel, our open architecture approach to investing will ensure transparency and great flexibility and choice for our clients.

(iii) Lending will also remain a key pillar of growth, where bespoke investment portfolio and real estate loans, as well as selected shipping loans will deepen our client relationships and increase and diversify our assets profitability. As in past years, conservative lending standards will guide this activity, as per the detailed metrics set in our Risk Policy, and our insights from our (and our Group's) local presence in various markets.

(iv) We will stay focused in executing our strategic bank-wide transformation project towards a new state-of-the-art core banking system, complemented with the most advanced multi-channel technology. In parallel, and until that effort concludes in 2023, we will continue delivering targeted enhancements to our current systems and platforms to ensure superior client service and operational efficiency.

(v) We will continue on our strong track record of regulatory compliance, transparency towards our clients, and adherence to the highest ethical standards. At the same time, both our investment offering and lending will increase their focus to ESG compliant sectors.

(vi) Finally, we will stay vigilant with our operational contingency set up, to counter not only any remaining pandemic challenges but also emerging geopolitical and cybersecurity risks, so that we ensure the safety of our staff and our communities, the uninterrupted full service to our clients, and the continuing operational and financial strength of our Bank.

On behalf of the Board of Directors, we would like to express to our customers our deep appreciation for their loyalty to the Bank and to the management and personnel our gratitude for their enthusiasm, consistency, and dedication.

31 March 2022

François Ries	**Konstantinos Tsiveriotis**
Chairman	CEO & Managing Director

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of Eurobank Private Bank Luxembourg S.A. (the "Bank"), which comprise the balance sheet as at 31 December 2021, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Bank as at 31 December 2021 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Bank in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of loans and advances to customers (value adjustment process)

Description

Loans and advances to customers are one of the significant items on the Bank's balance sheet representing 53% of total assets. The Bank's customer lending operations primarily consist of corporate loans that are focused on companies, which are already customers of the Eurobank Group and loans to Private Banking clients which are granted internationally and supported by mortgages and/or financial securities. 52% of loans to customers is guaranteed, in total or partially, by Letter of Guarantee (LG) and/or Pledge on Funding (PF) by Eurobank Ergasias S.A. (the "Parent Bank") and its subsidiaries, 48% of the Bank's loan portfolio is therefore retained at the Bank's own credit risk.

The majority of the Bank's borrowers are exposed to the Greek and UK specific sector conditions. Adverse market conditions in those aforementioned countries may substantially worsen the quality of credit and in particular those not covered by LG or PF.

The identification of an impairment event and the determination of specific valuation allowances involve significant estimation uncertainty and discretionary power resulting from the borrower's financial position and performance, as well as from the valuation of collateral and the amount and timing of expected future payments.

For this reason, we identified the determination of impairment on loans to corporate customers and institutional clients as a particularly significant issue in the Bank's annual accounts.

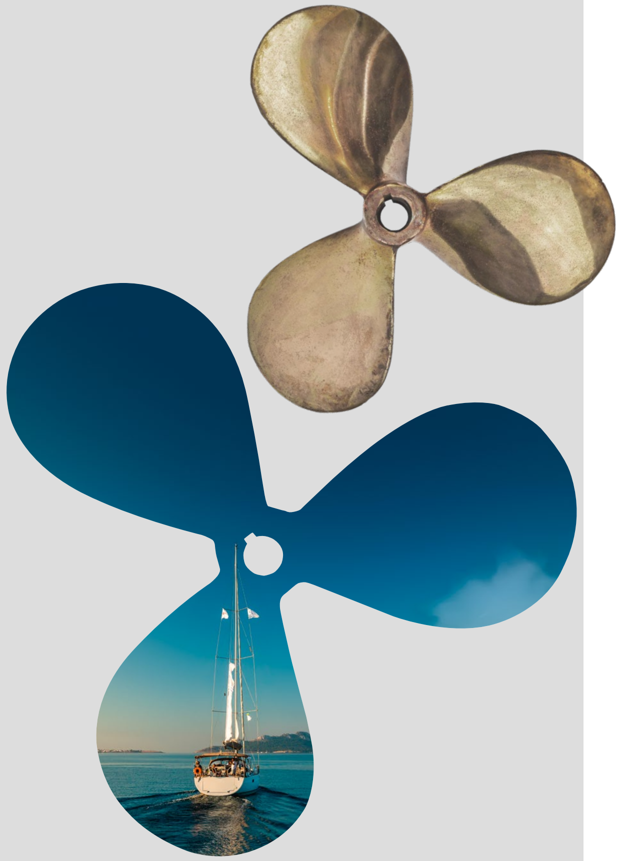
The Bank's disclosures on the accounting policy for value adjustments in respect of loans and advances are provided in Note 2.3 within the notes to the annual accounts.

How our audit addressed the area of focus

Our audit approach included audit procedures relating to the Bank's internal control system for identifying and quantifying a need for value adjustment, as well as substantive audit procedures on impaired and unimpaired receivables.

Our audit procedures relating to the Bank's internal control system focused on key controls within the framework of the credit approval and credit monitoring process, as well as the identification of impaired assets and the determination of the necessary value adjustment requirements, which were tested for their design, implementation and effectiveness.

We analysed the Bank's lending and monitoring process by conducting interviews with the responsible employees and inspected and analysed the internal guidelines and examined whether they were suitable for identifying the inherent risks and deriving appropriate risk provisions in the form of value adjustments.



Regarding substantive testing, the following audit procedures were performed:

- Overall analytical procedures of the portfolio of loans and advances to customers by comparison to prior years to identify trends and areas of particular risk.
- For a sample of referred loans, obtaining evidence on the existence and accuracy of respective collaterals (e.g. pledged funding, letter of guarantees, etc.) provided by the Parent Bank and assessing the creditworthiness of the Parent Bank to honour its commitments towards the Bank.
- Credit risk assessment for a sample of own credit risk loan portfolio, reviewing the clients' files, the late payment reports, the relevant agreements and independent valuations of the underlying collaterals.
- Assessing the impairment allowances for all individually impaired loans and advances.
- Considering the adequacy of disclosures in the annual accounts of the Bank with reference to the requirements of the prevailing accounting standards

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Directors' report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Responsibilities of the réviseur d'entreprises agréé for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the Board of Directors on

28 May 2021 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is four years.

The Directors' report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the prohibited non-audit services referred to in the EU Regulation N°537/2014 were not provided and that we remained independent of the Bank in conducting the audit.

Luxembourg, 31 March 2022

M. Weber
Partner

KPMG Luxembourg Société anonyme Cabinet de révision agréé

Balance sheet
as at December 31, 2021

(expressed in euro)

ASSETS	Note(s)	2021 EUR	2020 EUR
Cash in hand, balances with central banks and post office banks	3.2, 4	687.737.655	402.980.119
Loans and advances to credit institutions			
- repayable on demand	2.3, 3.2, 6	81.894.967	72.804.082
- other loans and advances	2.3, 3.2, 6	376.645.021	482.171.454
		458.539.988	**554.975.536**
Loans and advances to customers	2.3, 3.2, 6	1.506.594.589	1.473.130.075
Bonds and other fixed-income transferable securities:			
- issued by other borrowers	2.4, 3.2, 5.1, 7	144.256.154	91.500.000
Participating interests	2.5, 3.2, 5.2, 7	4.958	4.958
Shares in affiliated undertakings	2.5, 3.2, 5.2, 7	8.741.742	8.741.743
Intangible assets	2.7, 7	7.578.734	4.045.084
Tangible assets	2.7, 7	2.023.949	2.263.630
Other assets	6	110.147	203.391
Prepayments and accrued income	6	22.682.564	20.521.300
Total assets		**2.838.270.480**	**2.558.365.836**

The accompanying notes form an integral part of these annual accounts.

LIABILITIES	Note(s)	2021 EUR	2020 EUR
Amounts owed to credit institutions:			
- repayable on demand	3.2, 6	1.370.006	863.183
- with agreed maturity dates or periods of notice	3.2, 4, 6	721.402.578	787.121.652
Amounts owed to customers:			
- other debts			
• repayable on demand	3.2, 6	1.309.761.026	1.200.600.838
• with agreed maturity dates or periods of notice	3.2, 6	529.888.355	284.643.256
		1.839.649.381	**1.485.244.094**
Other liabilities	6	1.597.494	1.250.893
Accruals and deferred income	6	2.216.034	3.301.394
Provisions:			
- provisions for taxation	13.9	11.186.467	9.522.278
- other provisions	2.9	2.470.873	1.533.335
		13.657.340	**11.055.613**
Subscribed capital	8, 10	70.000.000	70.000.000
Reserves	9, 10	40.924.990	41.539.225
Profit brought forward	10	138.604.017	149.137.475
Profit for the financial year		8.848.640	8.852.307
Total liabilities		**2.838.270.480**	**2.558.365.836**

The accompanying notes form an integral part of these annual accounts.

Off balance sheet as at December 31, 2021

(expressed in euro)

	Note(s)	2021 EUR	2020 EUR
Contingent Liabilities	**12.1**	**13.025.123**	**12.107.555**
of which:			
- guarantees and assets pledged as collateral security		13.025.123	12.107.555
Commitments	**12.2**	**479.758.994**	**575.522.812**
of which:			
- commitments arising from sale and repurchase transactions		354.991.251	501.932.564
Fiduciary Transactions	**12.2**	**283.702.864**	**483.264.601**

The accompanying notes form an integral part of these annual accounts.

Profit and **loss** account for the year ended December 31, 2021

(expressed in euro)

	Note(s)	2021 EUR	2020 EUR
Interest receivable and similar income	13.1, 13.2	36.582.770	42.320.028
of which:			
arising from fixed-income transferable securities		1.094.129	572.505
Interest payable and similar charges	13.3	(8.456.283)	(15.810.264)
Commissions receivable	13.1, 13.4	13.180.995	11.153.322
Commissions payable	13.5	(5.830.785)	(4.350.056)
Net profit on financial operations	13.6	591.972	547.583
Other operating income	13.7	247.593	949.931
General administrative expenses			
- staff costs	15	(12.770.176)	(13.380.117)
of which:			
. wages and salaries		(10.484.066)	(11.080.585)
. social security costs		(1.754.365)	(1.811.505)
of which: pension costs		(1.288.233)	(1.288.233)
- other administrative expenses		(9.546.624)	(8.359.933)
Value adjustments in respect of intangible and tangible assets	7	(1.383.950)	(1.234.401)
Other operating charges	13.8	(1.355.731)	(962.602)
Value adjustments in respect of loans and advances and provisions for contingent liabilities and commitments		(18.473)	(24.858)
Value re-adjustments in respect of loans and advances and provisions for contingent liabilities and commitments		290.274	-
Tax on profit on ordinary activities	13.9	(2.682.942)	(1.996.326)
Profit on ordinary activities after tax		**8.848.640**	**8.852.307**
Profit for the financial year		**8.848.640**	**8.852.307**

The accompanying notes form an integral part of these annual accounts.

Notes
to the annual accounts

Note 1
General

Eurobank Private Bank Luxembourg S.A. (the "Bank") was incorporated in Luxembourg on August 26, 1986, as a "Société Anonyme" under the name of Banque de Dépôts (Luxembourg) S.A.. The Extraordinary General Meeting of Shareholders held on August 6, 1997 resolved to change the name of the Bank to EFG Private Bank (Luxembourg) S.A. with effect from September 10, 1997.

The Extraordinary General Meeting of Shareholders held on September 17, 2008 resolved to change the name of the Bank to Eurobank EFG Private Bank Luxembourg S.A. with effect from October 1, 2008.

As part of the rebranding project of the Group, the new coordinated status dated September 18, 2012 resolved to change the name of the Bank to Eurobank Private Bank Luxembourg S.A. with immediate effect.

The Bank is engaged in the business of providing private banking, investment and advisory services for corporate and private clients as well as administrative and custody services for investment funds. The Bank is active in the money markets, deposit taking and lending and engages in spot and forward foreign exchange business as well as undertaking transactions in securities and off balance sheet instruments, both for its own account and on behalf of customers.

At the beginning of June 2015, the Bank acquired the former Eurobank Ergasias S.A. London Branch in the United Kingdom, Eurobank Private Bank Luxembourg - London Branch ("Eurobank London"). Eurobank London provides an array of services to companies with international activities, especially in Central and South-Eastern Europe and to individual clients with local and international banking needs. Furthermore, Eurobank London serves as an extension of the Bank's Private Banking platform to London based clients.

Eurobank Private Bank Luxembourg S.A. is included in the consolidated financial statements of Eurobank Ergasias Services and Holdings S.A., whose registered office is in Athens (8 Othonos Street, 10557 Athens, Greece) where the consolidated financial statements are available.

Eurobank Ergasias Services and Holdings S.A. prepares the consolidated financial statements for the largest body of undertakings of which the Bank forms part as a subsidiary undertaking.

Note 2
Summary of significant accounting policies

2.1 Basis of presentation

These annual accounts have been prepared in conformity with accounting principles generally accepted in the banking sector in the Grand Duchy of Luxembourg. The accounting policies and the principles of valuation are determined and applied by the Board of Directors, except those which are defined by Luxembourg law and regulations.

On the basis of the criteria set out by the Luxembourg law, the Bank is exempted from preparing consolidated annual accounts. In accordance with the amended law of June 17, 1992, the present annual accounts are consequently prepared on an unconsolidated basis for approval by the Annual General Meeting of Shareholders.

2.2 Foreign currencies

The Bank has adopted a multicurrency accounting system, as a result of which assets and liabilities are recorded in the currencies in which they have occurred. For the preparation of the annual accounts, amounts in foreign currencies are translated into euro (EUR) on the following basis:

2.2.1 Spot transactions

Assets and liabilities in foreign currencies (apart from fixed assets) are translated into euro at exchange rates applicable at the balance sheet date.

Income, charges and purchases of fixed assets are recorded in the currency in which they are collected or disbursed and are translated into euro at rates approximating those ruling at the time of the transaction.

Exchange gains and losses arising from the Bank's net open currency spot position are taken to the profit and loss account in the current year.

Unsettled spot foreign exchange transactions are translated into euro at the spot rate of exchange prevailing on the balance sheet date.

Foreign exchange gains and losses resulting from spot transactions hedged by forward transactions are neutralised through "prepayments and accrued income" and "accruals and deferred income" accounts. Premiums or discounts arising due to the difference between spot and forward exchange rates are amortised in the profit and loss account on a pro-rata basis.

2.2.2 Forward transactions

Unsettled forward exchange transactions are translated into euro at the forward rate prevailing on the balance sheet date for the remaining maturity.

Unrealised exchange losses on un-hedged forward exchange contracts are recognised in the profit and loss account at the forward rate prevailing on the balance sheet date for the remaining term of the contract. Unrealised exchange gains on forward exchange contracts are not included, and are only recognised when ultimately realised, except when such contracts form an economic unit with offsetting foreign exchange transactions.

2.2.3 Swaps transactions

Interest income and expense generated from currency swap transactions are accrued on a straight-line basis over the period of the swap contract and are included in interest receivable or payable in the profit and loss account, as appropriate.

2.3 Loans and advances

Loans and advances are stated at disbursement value less repayment made and any value adjustments required. Accrued interests is recorded in the balance sheet caption “prepayments and accrued income”.

The policy of the Bank is to establish specific value adjustments for doubtful debts in accordance with the circumstances and for amounts specified by the Board of Directors. These value adjustments are deducted from the appropriate asset account balances.

2.4 Valuations of bonds and other fixed income transferable securities

The Bank has divided its portfolio of bonds and other fixed-income transferable securities into three categories for valuation purposes:

2.4.1 Investment portfolio of financial fixed assets

This portfolio comprises bonds and other fixed-income transferable securities, which are intended to be held on a continuing basis in the normal course of the Bank’s activities.

Principle of valuation at acquisition cost

Bonds and other fixed-income transferable securities are recorded at historical acquisition cost. The acquisition cost includes the costs to purchase the asset.

A value adjustment is made where the market value at the balance sheet date is lower than the acquisition cost and when the Board of Directors considers the depreciation to be permanent.

The premium/discount resulting from the acquisition of bonds and other fixed-income transferable securities having the characteristics of financial fixed assets at a price more/less than the amount repayable at maturity, is amortised against profit and loss account on a straight line basis over the period remaining until final repayment.

2.4.2 Trading portfolio

This portfolio comprises bonds and other fixed-income transferable securities purchased with the intention of selling them in the short term. These securities are traded on a market whose liquidity can be assumed to be certain and their market price is at all times available to third parties. These securities are valued at the lower of their acquisition cost and their market value.

During the year, the Bank did not hold any trading portfolio.

2.4.3 Structural portfolio

This portfolio comprises bonds and other fixed-income transferable securities and asset swaps purchased for their investment return or yield or held to establish a particular asset structure or a secondary source of liquidity. It also includes bonds and other fixed-income transferable securities not contained in the other two categories.

Securities in this portfolio are valued at the lower of their amortised acquisition cost and their market value. The value adjustments, corresponding to the negative difference between the market value and the amortised acquisition cost, are not maintained if the reasons for which the value adjustments were made no longer exist.

Premiums / discounts included in the acquisition cost and resulting from the purchase of bonds and other fixed-income transferable securities included in this portfolio at a price exceeding / lower than the amount repayable at maturity are amortised in the profit and loss account on a straight line basis over the period remaining until final repayment.

Asset swaps held in this portfolio are packaged deals made of a bond or other fixed-income transferable security and an interest rate swap, swapping the respective interest rates (floating/fixed) received and paid. Consequently, asset swaps held in the structural portfolio are booked at their par and subsequently measured at the lower of cost or Market value.

2.5 Valuation of variable yield transferable securities

Companies in which the Bank directly and indirectly exercises a significant influence are considered to be affiliated undertakings. Participating interests comprise rights in the capital of other undertakings, the purpose of which is to contribute to the activity of the company through a durable link.

Participating interests and shares in affiliated undertakings are recorded in the balance sheet at their acquisition cost in their original currency. The acquisition cost includes the costs to purchase the assets.

By nature, participating interests belong to the investment portfolio of financial fixed assets. As at December 31, 2021, shares in affiliated undertakings also belong to the investment portfolio.

A value adjustment is made if the Board of Directors considers that a permanent impairment exists in their carrying value at the balance sheet date.

2.6 Sale and repurchase agreements

In case of sale and repurchase agreements, the assets transferred are clients’ assets and therefore are shown in the off balance sheet position of the Bank.

2.7 Intangible and tangible fixed assets

Fixed assets other than financial fixed assets are valued at historical acquisition cost. The acquisition cost includes the costs to purchase the assets. The acquisition cost of intangible and tangible assets the use of which is limited in time are depreciated on a straight-line basis over the estimated useful life or at the rates specified below.

In case of permanent reduction in value, intangible and tangible assets are subject to value adjustments, regardless of whether their useful life is limited. The valuation at the inferior value is not maintained if the reasons for which the value adjustments were made no longer exist.

2.7.1 Intangible assets

The core banking system is amortized on a straight line basis over 10 years whereas the remaining intangible assets over 4 years.

During 2020, the Group initiated the “Salamis Project”, which comprises the implementation of a new core system and overall IT architecture landscape, in more than one country. This implementation in ERB LUX will allow the Bank to proceed with its growth business plan:

- Reducing operating risks: automations, control mechanisms, etc.
- Increasing efficiencies and freeing FTE capacity for business development
- Standardized, high quality service
- State of the art digital offering

The external costs related to this project as well as the Bank’s internal efforts will be capitalized during the implementation period and will be amortized over the useful life when the asset is ready for use.

2.7.2 Tangible assets

Tangible assets are used by the Bank for its own operations. Tangible assets are valued at cost less depreciation to date. Depreciation is calculated on a straight-line basis over the life of the assets concerned. The rates used for this purpose are:

	2021 %	2020 %
Furniture	18	18
Machinery and equipment	25	25
Vehicles	20	20
Hardware and software	25	25
Premises fixtures	10	10
Core banking system	10	10

Premises fixtures in leased offices are amortized over the lower of their useful life or the remaining lease period.

2.8 Derivative instruments

2.8.1 Interest rate swaps

Interest on interest rate swaps is included in the balance sheet captions "prepayments and accrued income" and "accruals and deferred income". It is credited or charged to interest receivable or payable in the profit and loss account.

Interest rate swaps, which are not held for hedging purposes, are marked-to-market. Provisions are made for unrealised valuation losses whereas unrealised valuation gains are not taken into account until maturity. Interest rate swaps entered into for hedging purposes are subject to the principle of symmetry with the hedged item. Hedging inefficiencies are recognised in profit or loss when they result in a net unrealised loss. They are ignored when they result in a net unrealised gain.

2.8.2 Forward exchange transactions

Valuation rules for forward exchange contracts are explained in note 2.2.2 above.

2.8.3 Options

For the options traded over the counter and unallocated to given assets or liabilities, the premiums received or paid appear on the balance sheet until the exercise or the expiration date of the option, if the option is not exercised before that date. Commitments on written options are booked off-balance sheet.

Options not used for hedging purposes are marked-to-market. The unrealised losses are booked in the profit and loss account whereas unrealised gains are ignored.

Option contracts entered into for hedging of a balance sheet item (asset or liability) are booked as follows: unrealised result on the premiums is accounted for in the profit or loss account in "Net profit or net loss on financial operations". Unrealised results arising from the revaluation of the hedged item (asset or liability) is accounted for in the profit or loss in "Net profit or net loss on financial operations". These bookings are presented net in profit or loss.

Option contracts traded on a regulated market and entered into for the purpose of hedging identical reverse options also traded on a regulated market are booked as follows: as the position on these instruments is closed, the result arising from premiums received and paid is accounted for in the profit and loss account. These bookings are presented net in profit or loss.

2.9 Lump sum provision

A general reserve for potential risks arising from on-balance sheet and off-balance sheet items has been booked. This tax-deductible provision is deducted from the corresponding assets. The lump sum provision calculated on off balance sheet items is booked under line "Provision: other provisions".

Note 3 Analysis of financial instruments

3.1 Strategy in using financial instruments

The Bank's treasury activities are primarily related to the use of financial instruments including derivatives. Since the end of the year 2012 all treasury activities of the Bank are carried out internally in Luxembourg.

Asset/Liability Management of the Bank is taking into account other banking activities including private banking client accounts, investment funds and inter-bank activity mainly with Eurobank Ergasias Services and Holdings S.A.

The Bank aims to use funds from customer operations, investment funds operations and other market deposits that have been raised at fixed and floating rates and for various periods seeking to earn profitable margins by investing these funds in high quality assets. Such operations are only executed following the limits, as well as defined products determined with the approval of the Board of Directors. Limits are currently set in such a way that restricts the Treasury and Foreign Exchange department of the Bank from taking large exposures and/or holding a Trading Book.

Related issues and decisions are taken by the Asset and Liability Committee (ALCO) of the Bank.

The monitoring of limits is carried out by the Risk department of the Bank on the basis of the daily positions provided by the Finance department or downloaded directly from the Bank's operating system. These reports are communicated daily amongst others to Local Management and the Head of Group Treasury in Athens.

In the event that the limits are breached and the margins not respected, Local Management as well as ALCO are informed for immediate action. The excesses are also reported to Group Risk on a monthly basis and the Bank's Risk Committee on a quarterly basis.

The Bank may hedge part of its existing interest rate risk resulting from any potential decrease in the fair value of fixed rate assets denominated both in local and foreign currencies using interest rate swaps.

The Bank may hedge a proportion of foreign exchange risk it expects to assume as a result of cash flows from debt securities using forward exchange transactions.

3.2 Analysis of financial instruments

3.2.1 Information on primary financial instruments

The table here after analyses the level of primary financial instruments (primary non-trading instruments) of the Bank, in terms of carrying amounts, into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. Additional indication of aggregate fair values of trading instruments is disclosed where they differ materially from the amounts at which they are included in the accounts.

"Fair value" is understood as being the amount at which an asset could be exchanged or a liability settled as part of an ordinary transaction entered into under normal terms and conditions between independent, informed and willing parties, other than in a forced or liquidation sale.

3.2.1.1 Analysis of financial instruments – Primary non-trading instruments (at carrying amount – EUR)

Figures as at December 31, 2021	Less than 3 months	> 3 months to 1 year	> 1 year to 5 years	> 5 years	Total
Instrument class (financial assets)					
Cash in hand, balances with central banks and post office banks	687.737.655	-	-	-	687.737.655
Loans & advances to credit institutions	458.539.988	-	-	-	458.539.988
Loans & advances to customers	416.710.447	270.947.260	463.956.352	354.980.530	1.506.594.589
Bonds and other fixed-income transferable securities	-	-	91.500.000	52.756.154	144.256.154
Shares in affiliated undertaking and participating interests	8.746.700	-	-	-	8.746.700
Total financial assets	**1.571.734.790**	**270.947.260**	**555.456.352**	**407.736.684**	**2.805.875.086**
Non financial assets	**32.395.394**	**-**	**-**	**-**	**32.395.394**
Total Assets	**1.604.130.184**	**270.947.260**	**555.456.352**	**407.736.684**	**2.838.270.480**
Instrument class (financial liabilities)					
Amounts owed to credit institutions:					
- Repayable on demand	1.370.006	-	-	-	1.370.006
- With agreed maturity dates or periods of notice	225.035.021	128.419.672	278.129.717	89.818.168	721.402.578
Amounts owed to customers:					
- Repayable on demand	1.309.761.026	-	-	-	1.309.761.026
- Repayable at term or with notice	403.843.596	125.853.759	191.000	-	529.888.355
Total financial liabilities	**1.940.009.649**	**254.273.431**	**278.320.717**	**89.818.168**	**2.562.421.965**
Non financial liabilities	**275.848.515**	**-**	**-**	**-**	**275.848.515**
Total Liabilities	**2.215.858.164**	**254.273.431**	**278.320.717**	**89.818.168**	**2.838.270.480**

As at December 31, 2021, the Bank held no primary trading financial instruments.

Figures as at December 31, 2020	Less than 3 months	> 3 months to 1 year	> 1 year to 5 years	> 5 years	Total
Instrument class (financial assets)					
Cash in hand, balances with central banks and post office banks	402.980.119	-	-	-	402.980.119
Loans & advances to credit institutions	554.975.536	-	-	-	554.975.536
Loans & advances to customers	421.248.554	289.468.972	392.058.471	370.354.078	1.473.130.075
Bonds and other fixed-income transferable securities	-	-	-	91.500.000	91.500.000
Shares in affiliated undertaking and participating interests	8.746.701	-	-	-	8.746.701
Total financial assets	**1.387.950.910**	**289.468.972**	**392.058.471**	**461.854.078**	**2.531.332.431**
Non financial assets	**27.033.405**	**-**	**-**	**-**	**27.033.405**
Total Assets	**1.414.984.315**	**289.468.972**	**392.058.471**	**461.854.078**	**2.558.365.836**
Instrument class (financial liabilities)					
Amounts owed to credit institutions:					
- Repayable on demand	863.183	-	-	-	863.183
- With agreed maturity dates or periods of notice	230.012.735	210.020.170	241.623.864	105.464.883	787.121.652
Amounts owed to customers:					
- Repayable on demand	1.200.600.838	-	-	-	1.200.600.838
- Repayable at term or with notice	198.731.845	85.911.411	-	-	284.643.256
Total financial liabilities	**1.630.208.601**	**295.931.581**	**241.623.864**	**105.464.883**	**2.273.228.929**
Non financial liabilities	**285.136.907**	**-**	**-**	**-**	**285.136.907**
Total Liabilities	**1.915.345.508**	**295.931.581**	**241.623.864**	**105.464.883**	**2.558.365.836**

As at December 31, 2020, the Bank held no primary trading financial instruments.

3.2.1.2 Description of derivative financial instruments

The Bank may enter into the following derivative financial instruments:

- Forward exchange transactions represent commitments to purchase foreign and domestic currency, including undelivered spot transactions.
- Interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of interest rates (for example, fixed rate for floating rate).
- Options are financial derivatives representing a contract sold by one party (option writer) to another party (option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date).

3.2.1.3 Analysis of derivative financial instruments

The table below analyses the level of derivative financial instruments of the Bank, broken down in terms of notional amount, into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The Bank held only OTC derivative financial instruments as at December 31, 2021.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favourable or unfavourable as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable and, thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

Derivatives non-trading instruments OTC as at December 31, 2021 (in EUR)

	Nominal amounts					Net fair value
Figures as at December 31, 2021	Less than 3 months	> 3 months to 1 year	> 1 year to 5 years	> 5 years	Total	Total
Interest rate:						
- Swaps	-	-	-	-	-	-
Foreign exchange:						
- Forwards, Spots, Swaps	151.709.471	40.697.123	-	-	192.406.594	(414.432)
Options:						
- Options	631.510	-	-	-	631.510	(2.261)
Total	**152.340.981**	**40.697.123**	**-**	**-**	**193.038.104**	**(416.693)**

The Bank held no exchange-traded derivative financial instruments as at December 31, 2021.

Derivatives non-trading instruments OTC as at December 31, 2020 (in EUR)

	Nominal amounts					Net fair value
Figures as at December 31, 2020	Less than 3 months	> 3 months to 1 year	> 1 year to 5 years	> 5 years	Total	Total
Interest rate:						
- Swaps	-	-	-	-	-	-
Foreign exchange:						
- Forwards, Spots, Swaps	303.366.223	3.466.826	-	-	306.833.049	1.349.186
Options:						
- Options	1.316.665	-	-	-	1.316.665	(6.756)
Total	**304.682.888**	**3.466.826**	**-**	**-**	**308.149.714**	**1.342.430**

The Bank held no exchange-traded derivative financial instruments as at December 31, 2020.

3.3 Credit risk

3.3.1 Description of credit risk

The Bank takes on exposure to credit risk. The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower or groups of borrowers, and to geographical segments. Such risks are monitored on a revolving basis and subject to monthly reviews.

- Country and Counterparty Limits are approved by Group Risk and the Board of Directors and reviewed at least annually.
- Client Limits are approved by specific Committees, as per approval limits set by Group Risk and the Board of Directors. Client limits are reviewed at least annually. There are four levels of approval of credit facilities: Local Credit Committee 1 (LCC1), Local Credit Committee 2 (LCC2), Board of Directors (BoD) and jointly Eurobank Central Credit Committee or Regional Credit Committee with respective Local Committees. Depending on the amount, tenor and type of the requested credit facility, the proposal is submitted for approval at the appropriate level.

The exposure to any borrower including banks and brokers is further restricted by

sub-limits covering on and off-balance sheet exposures. Actual exposures against limits are monitored daily.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is primarily managed by obtaining collateral and corporate and personal guarantees.

The Group Risk Unit is setting types of collateral as well as minimum margins. The Bank imposes strict collateral rules based on careful analysis, internal policies and the market environment. The Bank has a clear procedure to approve "eligible" collateral and it periodically reviews approved collateral.

On currency and interest rate swaps, the Bank's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value and the liquidity of the market. To control the level of credit risk taken, the Bank assesses counterparties using the same techniques as for its lending activities.

3.3.2 Measures of credit risk exposure

Information on credit risk as it relates to financial instruments is disclosed on the basis of the carrying amount that best represents the maximum credit risk exposure at the balance sheet date without taking account of any collateral.

With respect to derivative instruments not dealt on a recognised, regulated market (OTC), the carrying amount (principal or notional amount) does not reflect the maximum risk exposure. The maximum exposure to credit risk is determined by the value of the overall replacement cost.

The table below discloses the level of credit exposure on OTC derivative instruments in terms of notional amounts, replacement cost, potential future credit exposure and net risk exposure adjusted for any collateral, broken down by the degree of creditworthiness of the counterparty based on internal or external ratings.

Credit Risk Exposure on OTC derivative instruments (use of market risk method) as at December 31, 2021 (in EUR)

Counterparty solvency (based on external/ internal ratings)	Notional amount (1)	Current Replacement cost (2)	Potential future replacement cost (3)	Overall replacement cost (4) = (2) + (3)	Collateral (5)	Net risk exposure (6) = (4) - (5)
External rating (Fitch):						
A	126.463.489	183.121	1.264.635	1.447.756	-	1.447.756
					Sub - total 1	**1.447.756**
Internal Rating:						
- Customer & Fund						
2.5	281.471	2.273	2.815	5.088	-	5.088
3	43.903.616	-	439.036	439.036	-	439.036
3.5	764.906	-	7.649	7.649	-	7.649
4	20.577.796	769	205.778	206.547	-	206.547
					Sub - total 2	**658.320**
					TOTAL	**2.106.076**

Credit Risk Exposure on OTC derivative instruments (use of market risk method) as at December 31, 2020 (in EUR)

Counterparty solvency (based on external/ internal ratings)	Notional amount (1)	Current Replacement cost (2)	Potential future replacement cost (3)	Overall replacement cost (4) = (2) + (3)	Collateral (5)	Net risk exposure (6) = (4) - (5)
External rating (Fitch):						
A	213.346.059	2.891.195	2.133.461	5.024.656	-	5.024.656
					Sub - total 1	**5.024.656**
Internal Rating:						
- Customer & Fund						
2.5	89.545.185	175.281	895.452	1.070.733	-	1.070.733
3.4	1.050.000	298	10.500	10.798	-	10.798
4	859.155	28.561	8.592	37.153	-	37.153
4.8	3.374.234	52.847	33.742	86.589	-	86.589
					Sub - total 2	**1.205.273**
					TOTAL	**6.229.929**

The internal credit rating for “Customer & Fund” goes from 1 (best rating) to 10 (worst rating)

3.3.3 Concentration of credit risk

The tables below show credit risk concentration which relates to financial instruments from on- and off balance sheet exposures by geographic location and economic sector. In order to enhance the true and fair view of the financial position the tables present the OTC derivatives by the value of the overall replacement cost and to that extent the comparative figures have been adjusted accordingly.

3.3.3.1 Geographic credit risk concentrations (in EUR)

Geographical zone (by country or zone)	Credits and other balance sheet items		OTC derivatives		Commitments	
	2021	2020	2021	2020	2021	2020
Luxembourg	231.839.648	172.115.647	638.590	1.070.733	3.487.698	499.999
Other European Monetary Union (EMU) countries	1.106.549.143	1.144.365.927	12.080	10.500	74.349.954	31.565.827
Other countries	782.865.094	813.778.162	1.455.406	5.148.308	46.930.091	41.524.422
Total	**2.121.253.885**	**2.130.259.736**	**2.106.076**	**6.229.541**	**124.767.743**	**73.590.248**

As the Bank is mainly active on the European markets, it has a significant concentration of credit risk with other European financial institutions. In total, credit risk exposure is estimated to EUR 2 248 127 704 at December 31, 2021 (2020: EUR 2 210 079 525) of which EUR 2 106 076 (2020: EUR 6 229 541) consisted of derivative financial instruments.

3.3.3.2 Economic sector credit risk concentrations (in EUR)

The table here after discloses the concentration of the credit risk linked to financial instruments, for both on and off balance sheet exposures, by economic sector.

Economic sector	Credits and other balance sheet items		OTC derivatives		Commitments	
	2021	2020	2021	2020	2021	2020
Credit institutions	598.773.305	663.879.965	1.447.756	5.024.566	-	-
Households	90.257.409	99.274.075	15.712	124.242	23.799.052	9.542.816
Investment funds	62.906.730	46.803.582	638.590	1.070.733	3.000.000	499.999
Activity ancillary to financial intermediation and insurance	223.074.765	314.305.678	-	-	49.744.045	25.500.000
Non financial corporations	764.512.313	787.742.610	-	10.000	25.988.606	32.885.378
Governments	-	-	-	-	-	-
Central banks	-	-	-	-	-	-
Financial holding companies	224.167.820	136.155.103	-	-	884.591	238.211
Others	157.561.543	82.098.723	4.018	-	21.351.449	4.923.843
Total	**2.121.253.885**	**2.130.259.736**	**2.106.076**	**6.229.541**	**124.767.743**	**73.590.248**

3.4 Market risk

The Bank does not enter into Equity or FX Trading. Thus, any FX risk exists solely due to the execution of client deals. The existing FX limits for the Bank, as per Board decision 015/2014 are:

1. FX Overall limit EUR 1.0mn,
2. Limit per Currency :
   (i) Majors (USD, GBP, CHF, JPY) EUR 0.5mn,
   (ii) Minors (any other) EUR 0.2mn,
3. The VaR limit is EUR 0.25mn.

The Risk Department prepares and monitors on a daily basis the FX position, which is compared against set limits. Any Excesses are escalated to Senior Management and Eurobank GMR&CS. The Risk Department uploads on a weekly basis, to Eurobank GMR&CS Market Risk web site, the FX report, that includes the daily exposures per currency vs. the approved limits. On a monthly basis, the Bank applies a “Value at Risk” (VaR) methodology to estimate the market risk of positions held and the maximum losses expected, based on a number of assumptions for various changes in market conditions. The Board of Directors sets limits on the value of risk that may be accepted, which is monitored as deemed appropriate. VaR is calculated with a 99% confidence interval and a 10 day holding period.

Note 4 Cash in hand, balances with central banks and post office banks

	2021 EUR	2020 EUR
Cash in Hand	97.623	115.413
Mandatory Minimum Reserve	17.383.857	13.714.926
Cash with Central Bank	670.256.175	389.149.780
	687.737.655	**402.980.119**

In accordance with the requirements of the European Central Bank, Luxembourg Central Bank has implemented, effective January 1, 1999, a system of mandatory minimum reserves which applies to all Luxembourg credit institutions. The minimum reserve balance as at December 31, 2021 held by the Bank with the Luxembourg Central Bank amounted to EUR 17 383 857 (2020: EUR 13 714 926).

The Bank entered in June 2020 to the third series of the targeted longer-term refinancing operation (TLTRO-III) and the respective outstanding borrowing with Luxembourg Central Bank as at December 31, 2021 amounts to EUR 245 000 000.

Note 5 Transferable securities

5.1 Listed securities

Bonds and other fixed-income transferable securities:	2021 EUR	2020 EUR
- other issues	**144.256.154**	**91.500.000**

The market value of bonds eligible for refinancing with a central bank of the Euro zone included in the heading “bonds and other fixed-income transferable securities” is EUR 96 828 770 (2020: EUR 98 562 383).

The Bank does not hold any Greek Government Bonds, neither in the investment nor in the structural portfolio as at December 31, 2021.

As at December 31, 2021, all transferable securities belong to the investment and structural portfolio of the Bank.

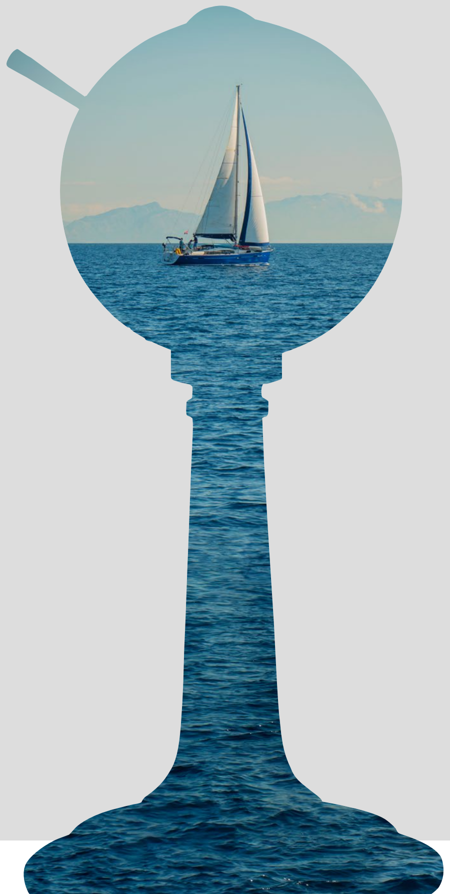
5.2 Unlisted securities

	2021 EUR	2020 EUR
Participating interests	4.958	4.958
Shares in affiliated undertakings	8.741.742	8.741.743
	8.746.700	**8.746.701**

On January 30, 2018, the Bank acquired 100% of the shares (EUR 8 741 639) of BHF Lux Immo S.A., whose registered office is in 534 rue de Neudorf, 2220 Luxembourg, Luxembourg and was subsequently renamed to ERB Lux Immo S.A. As at December 31, 2021, the unaudited Shareholders' equity is EUR 2 853 135 (2020: EUR 2 401 562) and the result of the financial year is EUR 423 808 (2020: EUR 249 420).

5.3 Sale and Repurchase transactions

As at December 31, 2021, the Bank is committed in reverse repurchase agreements for a total amount of EUR 325 498 197 (2020: EUR 460 755 111).



Note 6 Assets and Liabilities balances with Affiliated Undertakings and Key Management Personnel

	Eurobank Group Companies		Key Management Personnel	
	2021 EUR	2020 EUR	2021 EUR	2020 EUR
Assets				
Loans and advances to credit institutions	337.786.946	494.572.954	-	-
Loans and advances to customers	288.464.041	398.951.241	820.534	880.528
Prepayments and Accrued Income	376.695	571.626	37	13
Other Assets	-	1.493	-	-
	626.627.682	**894.097.314**	**820.571**	**880.541**
Liabilities				
Amounts owed to credit institutions	476.834.126	565.532.041	-	-
Amounts owed to customers	48.154.686	23.972.680	2.855.069	2.815.656
Accruals and Deferred Income	130.265	146.228	-	-
Other Liabilities	298.772	207.694	-	-
	525.417.849	**589.858.643**	**2.855.069**	**2.815.656**
Off Balance Sheet				
Contingent Liabilities	6.450	6.450	29.760	40.710
Commitments	281.524.861	438.269.512	-	-
Fiduciary Transactions	4.800.000	35.300.000	-	-
	286.331.311	**473.575.962**	**29.760**	**40.710**
Profit and Loss				
Interest receivable and similar income	4.832.425	8.824.614	3.557	1.180
Interest payable and similar charges	(5.021.177)	(8.712.671)	(295)	(1.419)
Commissions receivable	374.387	382.332	9.223	7.369
Commissions payable	(4.876.893)	(3.522.346)	-	-
Other Operating Income	132.990	196.186		
General administrative expenses	(948.093)	(675.943)	-	-
	(5.639.351)	**(3.704.014)**	**12.485**	**7.130**

Key management personnel include the Members of the Board of Directors, the Members of the Management Committee and the Chief of Internal Audit.

Note 7 Movements in fixed assets

2021 Movement	Cost				Value adjustments				Net
Amounts in EUR	Gross value at the beginning of the financial year 2021	Additions	Disposals	"Gross value at the end of the financial year 2021"	Cumulative value adjustments at the beginning of the financial year 2021	Value adjustments	Reversal of value of adjustments	"Cumulative value adjustments at the end of the financial year 2021"	"Net book value at the end of the financial year 2021"
Debt Securities including fixed income transferable securities	91.500.000	52.756.154	-	144.256.154	-	-	-	-	144.256.154
	91.500.000	**52.756.154**	**-**	**144.256.154**	**-**	**-**	**-**	**-**	**144.256.154**
Long term investments including:									
Participating interests	8.058	-	-	8.058	(3.100)	-	-	(3.100)	4.958
Shares in affiliated undertaking	8.742.049	-	-	8.742.049	(306)	(1)	-	(307)	8.741.742
	8.750.107	**-**	**-**	**8.750.107**	**(3.406)**	**(1)**	**-**	**(3.407)**	**8.746.700**
Intangible fixed assets									
Software and Consultancy	8.416.942	718.229	-	9.135.171	(6.782.394)	(823.220)	-	(7.605.614)	1.529.557
Salamis Project	2.410.536	3.638.641	-	6.049.177	-	-	-	-	6.049.177
	10.827.478	**4.356.870**	**-**	**15.184.348**	**(6.782.394)**	**(823.220)**	**-**	**(7.605.614)**	**7.578.734**
Tangible fixed assets including:									
Other fixtures and fittings, tools and equipment	7.496.656	169.423	-	7.666.079	(6.645.542)	(346.700)	-	(6.992.242)	673.837
Technical equipment and machinery	2.790.248	151.626	-	2.941.874	(1.377.732)	(214.030)	-	(1.591.762)	1.350.112
	10.286.904	**321.049**	**-**	**10.607.953**	**(8.023.274)**	**(560.730)**	**-**	**(8.584.004)**	**2.023.949**

2020 Movement	Cost				Value adjustments				Net
Amounts in EUR	Gross value at the beginning of the financial year 2020	Additions	Disposals	"Gross value at the end of the financial year 2020"	Cumulative value adjustments at the beginning of the financial year 2020	Value adjustments	Reversal of value of adjustments	"Cumulative value adjustments at the end of the financial year 2020"	"Net book value at the end of the financial year 2020"
Debt Securities including fixed income transferable securities	91.500.000	-	-	91.500.000	-	-	-	-	91.500.000
	91.500.000	**-**	**-**	**91.500.000**	**-**	**-**	**-**	**-**	**91.500.000**
Long term investments including:									
Participating interests	8.058	-	-	8.058	(3.100)	-	-	(3.100)	4.958
Shares in affiliated undertaking	8.742.049	-	-	8.742.049	(306)	-	-	(306)	8.741.743
	8.750.107	**-**	**-**	**8.750.107**	**(3.406)**	**-**	**-**	**(3.406)**	**8.746.701**
Intangible fixed assets									
Software and Consultancy	7.775.299	641.643	-	8.416.942	(6.038.257)	(744.137)	-	(6.782.394)	1.634.548
Salamis Project	-	2.410.536	-	2.410.536	-	-	-	-	2.410.536
	7.775.299	**3.052.179**	**-**	**10.827.478**	**(6.038.257)**	**(744.137)**	**-**	**(6.782.394)**	**4.045.084**
Tangible fixed assets including:									
Other fixtures and fittings, tools and equipment	6.932.716	563.940	-	7.496.656	(6.351.103)	(294.439)	-	(6.645.542)	851.114
Technical equipment and machinery	2.477.905	312.343	-	2.790.248	(1.181.907)	(195.825)	-	(1.377.732)	1.412.516
	9.410.621	**876.283**	**-**	**10.286.904**	**(7.533.010)**	**(490.264)**	**-**	**(8.023.274)**	**2.263.630**

Note 8 Subscribed capital

The authorised and paid-up share capital of the Bank amounts to EUR 70 000 000. The Bank's capital is comprised of 500 000 shares with Nominal value EUR 140 at the end of the year.

Note 9 Reserves

9.1 Legal reserve

In accordance with Luxembourg law, the Bank is required to transfer at least 5% of its annual profit to the legal reserve until this equals 10% of subscribed capital. The legal reserve is not available for distribution to shareholders.

9.2 Special reserve

In accordance with the tax law, the Bank reduces the Net Wealth Tax liability by deducting it from itself. In order to comply with the tax law, the Bank allocates under non-distributable reserves (item "special reserve") an amount that corresponds to five times the amount of reduction of the Net Wealth Tax. This reserve is non-distributable for a period of five years from the year following the one during which the Net Wealth Tax was reduced.

9.3 Interim dividend

In accordance with article 20 of the Articles of Association of the Bank, the meeting of the Board of Directors dated October 27, 2021 approved the distribution of an interim dividend amounting to EUR 20 000 000 which was paid on October 29, 2021.

Note 10 Changes in Shareholders' equity

The movements of shareholders' equity of the Bank may be summarized as follows:

	Subscribed Capital EUR	Reserves			Profit brought forward EUR	Total EUR
		Legal Reserve EUR	Special Reserve EUR	Total Reseve EUR		
Balance at December 31, 2020	**70.000.000**	**7.000.000**	**34.539.225**	**41.539.225**	**149.137.475**	**260.676.700**
Profit for the year ended December 31, 2020	-	-	-	-	8.852.307	8.852.307
Appropriation of profit	-	-	-	-	-	-
Interim Dividend	-	-	-	-	(20.000.000)	(20.000.000)
Transfer to legal reserve	-	-	-	-	-	-
Transfer to special reserve	-	-	(614.235)	(614.235)	614.235	-
Current year Profit	-	-	-	-	8.848.640	8.848.640
Balance at December 31, 2021	**70.000.000**	**7.000.000**	**33.924.990**	**40.924.990**	**147.452.657**	**258.377.647**

The appropriation of the 2020 result was approved by the Annual General Meeting of Shareholders on May 28, 2021.

Note 11 Assets and liabilities denominated in foreign currencies

	2021 EUR	2020 EUR
Total assets in foreign currencies	456.707.696	387.501.016
Total liabilities in foreign currencies	**398.840.456**	**392.877.494**

Note 12 Contingent liabilities and commitments

12.1 Contingent liabilities

As at December 31, 2021 the contingent liabilities include guarantees and other direct substitutes for credit and amount to EUR 13 025 123 (2020: EUR 12 107 555).

12.2 Other off balance sheet commitments

	2021 EUR	2020 EUR
Assets held on behalf of third parties	3.700.276.630	2.676.292.691
Credits confirmed but not used	124.767.743	73.590.248
Repurchase agreements	354.991.251	501.932.564
Forward foreign exchange transactions	192.406.594	306.833.049
Fiduciary transactions	283.702.864	483.264.601
Options	631.510	1.316.665
	4.656.776.592	**4.043.229.818**

12.3 Deposit Guarantee Scheme

The law related to the resolution, reorganisation and winding-up measures of credit institutions and certain investment firms and on deposit guarantee and investor compensation schemes ("the Law"), transposing into Luxembourgish law the directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms and the directive 2014/49/EU related to deposit guarantee and investor compensation schemes, was passed on 18 December 2015.

The deposit guarantee and investor compensation scheme through the "Association pour la Garantie des Dépôts Luxembourg" (AGDL) was replaced by a new contribution based system of deposit guarantee and investor compensation scheme. This new system covers eligible deposits of each depositor up to an amount of EUR 100 000 and investments up to an amount of EUR 20 000. The Law also provides that deposits resulting from specific transactions or fulfilling a specific social or other purpose are covered for an amount above EUR 100 000 for a period of 12 months.

The funded amount of the "Fonds de résolution Luxembourg" (FRL) shall reach by the end of 2024 at least 1% of covered deposits, as defined in article 1 number 36 of the Law, of all authorized credit institutions in all participating Member States. This amount is collected from the credit institutions through annual contributions during the years 2015 to 2024.

The target level of funding of the "Fonds de Garantie des Dépôts Luxembourg" (FGDL) is set at 0.8% of covered deposits, as defined in article 163 number 8 of the Law, of the relevant credit institutions and was reached by the end of 2018 through annual contributions. The contributions were made in the form of annual payments during the years 2016 to 2018. After the level of 0.8% was reached, the Luxembourgish credit institutions continue to contribute for 8 additional years in order to constitute an additional safety buffer of 0.8% of covered deposits as defined in article 163 number 8 of the Law.

The law of 23 December 2016 on the tax reform 2017 has introduced a tax neutral reversal of the existing AGDL provisions in successive annual tranches from 2016 to 2026, under the condition that each annual tranche is at least equal to the contributions to the FGDL and FRL for that fiscal year. Any remaining balance of the AGDL provision not yet reversed at the end of this transitional period will have to be reversed and added to the taxable income of the year 2026.

On 18 January 2017, CSSF issued a circular letter relating to the abrogation of the AGDL and to the consequent accounting treatment of the AGDL reversal to enable the banks to follow from an accounting point view the tax treatment foreseen in the law of 23 December 2016.

The cash contribution amounts to EUR 476 458 (2020: EUR 199 440) and recorded in the caption 'General administrative expenses'. Additionally, the 2021 FRL contribution for an amount of EUR 372 563 (2020: EUR 297 905) was paid by the Bank and recorded in the caption 'General administrative expenses'.

12.4 Management and fiduciary services

The Bank has provided the following management and fiduciary services to third parties in the course of the financial year:

- Investment management and advice;
- Safekeeping and administration of securities;
- Fiduciary services;
- Agency services.

Note 13 Profit and loss account

13.1 Sources of income by geographical region

By application of Article 69 of the amended law of June 17, 1992 on the annual accounts of credit institutions, sources of income have not been analyzed by geographical region.

Nevertheless the break down between the Bank and its United Kingdom branch is the following:

	2021 EUR	2020 EUR
Interest income		
Luxembourg entity	34.895.850	40.439.748
United Kingdom branch	1.686.920	1.880.280
	36.582.770	**42.320.028**
Commission income		
Luxembourg entity	12.952.291	10.970.046
United Kingdom branch	228.704	183.276
	13.180.995	**11.153.322**

13.2 Interest receivable and similar income

	2021 EUR	2020 EUR
Interest receivable on loans and advances to credit institutions	35.475	1.808.338
of which: affiliated credit institutions	55.627	720.265
Interest receivable on loans and advances to clients	35.453.166	39.939.185
of which: affiliated customers	4.776.798	8.104.349
Interest receivable on debt securities and other	1.094.129	572.505
	36.582.770	**42.320.028**

The above amounts are presented based on the nature of the original transaction. Thus, they also include transactions with negative interest rates.

13.3 Interest payable and similar charges

	2021 EUR	2020 EUR
Interest payable on amounts owed to credit institutions	6.155.114	10.968.618
of which: affiliated credit institutions	5.012.548	8.670.718
Interest payable on amounts owed to customers	3.132.733	5.049.608
of which: liabilities with agreed maturity dates or period of notice	3.124.617	5.007.799
Interest payable on balances with central banks	(831.564)	(207.962)
	8.456.283	**15.810.264**

The above amounts are presented based on the nature of the original transaction. Thus, they also include transactions with negative interest rates.

13.4 Commissions receivable

	2021 EUR	2020 EUR
Fiduciary operations	131.424	283.425
Asset Management	2.662.558	1.878.564
Foreign exchange, precious metals and securities transactions on behalf of third parties	1.831.236	1.576.480
Safekeeping of assets belonging to third parties	1.045.063	937.487
Other commission receivable	7.510.714	6.477.366
Of which: Funds Fees	4.088.562	3.244.083
Of which: Distribution Agreement Fees	1.145.978	1.105.049
Of which: Loans Fees	588.366	473.947
	13.180.995	**11.153.322**

13.5 Commissions payable

	2021 EUR	2020 EUR
Asset Management Fees	1.067.255	780.766
Safekeeping Fees	1.912.004	1.522.995
Loan Fees	2.778.655	915.844
Other commission payable	72.871	1.130.451
	5.830.785	**4.350.056**

13.6 Net profit on financial operations

Net profit on financial operations at December 31, 2021 mainly includes gain and loss on foreign exchange transactions.

13.7 Other operating income

	2021 EUR	2020 EUR
Income from affiliated undertakings	132.990	196.186
VAT settlement	-	712.140
Other income	30.517	39.375
United Kingdom branch other operating income	84.086	2.230
	247.593	**949.931**

13.8 Other operating charges

	2021 EUR	2020 EUR
Withholding taxes	528.769	899.437
Leasehold Dilapidation Cost	550 000	-
Tax previous year	159 710	-
Other expenses	117 252	63 165
	1.355.731	**962.602**

13.9 Tax charge

The Bank is liable to taxes on income, capital and net assets. The Luxembourg tax authorities have issued assessments for the years up to and including 2017. Tax liabilities, net of tax advances, are recorded under "provisions for taxation" in the balance sheet.

13.10 Return on assets

The return on assets of the Bank for the year ended December 31, 2021 stands to 0.31% (2020: 0.35%). The return on assets is calculated as being the net profit divided by the total balance sheet.

Note 14 Independent Auditor's fees

For the year ending December 31, 2021, independent auditor's fees are as follows:

	2021 EUR	2020 EUR
Audit fees	138.500	138.500
Audit related fees	143.745	75.500
	282.245	**214.000**

Note 15 Staff and directors

15.1 Staff

The number of the Bank's employees (including London Branch) as of 31 December is as follows:

	2021	2020
Senior Management and Management	14	15
Employees	100	105
	114	**120**

15.2 Information relating to Management Body

The emoluments, in respect of their duties, received by Senior Management and Management are totaling to EUR 2 422 623 (2020: EUR 2 293 475) and by the Board members to EUR 378 454 (2020: EUR 339 300).

As at December 31, 2021, loans totaling EUR 820 534 were granted to 2 members of the Senior Management and Management (2020: EUR 880 528) and EUR 850 000 (2020: EUR 950 000) were granted to the Board members and their close relatives.

Guarantees (EUR 29 760) for the rent of apartments have been given on behalf of the Bank to 5 members of the Management and Senior Management (2020: EUR 40 710).

Note 16 Post-balance sheet events

Following the escalation of the Russia-Ukrainian conflict in February 2022, the Management of the Bank closely monitors the developments and assesses the impact on the Bank's operations.

For the time being no material impacts were identified considering that:

- The Bank has no operations and no business presence in Ukraine, nor any neighboring countries and therefore there is no immediate impact to the Bank's activities and employees;
- The economic sanctions imposed seem to have had no impact on the Bank's clients, suppliers, and investor relationships;
- No impact is expected to the carrying amount of both assets and liabilities, no restrictions on assets have occurred due to sanctions imposed;
- No impact is expected on borrowing covenants, liquidity and solvency;
- No cyber-attacks have occurred so far; the Management stays alert on the increased risk of such attacks.

Therefore, the Management considers the financial statements as at 31 December 2021 do not require any adjustment due to this subsequent event.

The Bank is not aware of any other significant events after reporting date which would have a material impact on the 2021 financial statements.

EUROBANK

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