

Alpha Services and Holdings S.A. announces that Alpha Bank S.A. has entered into a binding agreement for the disposal of a mixed pool of secured Non-Performing Loans to Greek Large Corporate Entities and Small and Medium-sized Enterprises (Project Hermes) [5.5.2023]

In the context of implementing its updated Business Plan, Alpha Services and Holdings S.A., parent company of the Alpha Bank Group (the “Group”), announces that Alpha Bank S.A. (“Alpha Bank”) has entered into a binding agreement for the disposal of a mixed pool of secured Non-Performing Loans to Greek Large Corporate Entities and Small and Medium-sized Enterprises of a total on-balance sheet gross book value of approximately Euro 0.65 billion (Project Hermes), as follows:

A) with Saturn Financial Investor DAC and Pluto Financial Investor DAC, entities financed by funds managed by affiliates of Fortress Credit Corp., for the disposal of a pool of a total on-balance sheet gross book value of Euro 0.24 billion, with reference date 30.9.2022 (the “Hermes Tranche A Portfolio”).

B) with Hermes Acquisitions B Designated Activity Company, an entity financed by funds managed by affiliates of Davidson Kempner Capital Management and funds managed by affiliates of Fortress Credit Corp, for the disposal of a pool of a total on-balance sheet gross book value of Euro 0.41 billion, with reference date 31.12.2021 (the “Hermes Tranche B Portfolio”, and, together with the Hermes Tranche A Portfolio, the “Hermes Portfolio”).

The aggregate consideration for the Hermes Portfolio comprises a fixed and a contingent (earn-out) component and exceeds 40% of the total on-balance sheet gross book value.

The transaction is expected to have a positive impact in terms of the capital and the liquidity of the Group.

The servicing of the Project Hermes perimeter will be undertaken by “Cepal Hellas Financial Services Single Member Société Anonyme – Servicing of Receivables from Loans and Credits”, a servicing company which has been licensed under Law 4354/2015 and is regulated by the Bank of Greece.

The completion of the transaction is expected to take place within May 2023.

PricewaterhouseCoopers Business Solutions S.A. (“PwC”) is acting as Alpha Bank’s sole financial adviser in relation to the sale process and the M. Psylla – V. Vizas – G. Katrinakis Law Firm as legal adviser to Alpha Bank on Greek law issues. As regards the Hermes Tranche A Portfolio, White & Case LLP is acting as international legal adviser to Alpha Bank, whereas Akin Gump Strauss Hauer & Feld LLP is acting as international legal adviser regarding the Hermes Tranche B Portfolio.