

A low-angle photograph of a modern glass-clad building. Large, three-dimensional blue Greek letters spelling 'Τράπεζα Κύπρου' are mounted on the facade. To the right, a square logo with a blue and orange design and the text 'ΚΟΙΝΟ ΚΥΠΡΩΝ ΛΟΓΟΤΥΠΟ' is visible. Olive branches are in the foreground, partially obscuring the view.

# Bank of Cyprus Group

**Group Financial Results**

*For the six months ended 30 June 2025*



# DISCLAIMER

The financial information included in this presentation including the interim Condensed Consolidated Financial Statements for the six months ended 30 June 2025 has not been audited by the Group's external auditors.

The Group's external auditors have conducted a review of the Interim Condensed Consolidated Financial Statements in accordance with the International Standard on Review Engagements (Ireland) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity".

This financial information is presented in Euro (€) and all amounts are rounded as indicated. A comma is used to separate thousands and a dot is used to separate decimals.

## ***Important Notice Regarding Additional Information Contained in the Investor Presentation***

The presentation for the Group Financial Results for the six months ended 30 June 2025 (the "Investor Presentation"), available on <https://bankofcyprus.com/en-gb/group/investor-relations/reports-presentations/financial-results/>, includes additional financial information not presented within the Group Financial Results Press Release (the "Press Release"), primarily relating to (i) NPE analysis (movements by segments and customer type), (ii) rescheduled loans analysis, (iii) details of historic restructuring activity including REMU activity, (iv) income statement by business line, (v) interest income/expense analysis, (vi) net interest income sensitivities, (vii) loan portfolio analysis in accordance with the three-stages model for impairment of IFRS 9, (viii) fixed income portfolio per issuer type and (ix) income statement of insurance and payment solutions business. Except in relation to any non-IFRS measure, the financial information contained in the Investor Presentation has been prepared in accordance with the Group's significant accounting policies as described in the Group's Annual Financial Report 2024 and updated in the Interim Financial Report 2025. The Investor Presentation should be read in conjunction with the information contained in the Press Release and neither the financial information in the Press Release nor in the Investor Presentation constitutes statutory financial statements prepared in accordance with International Financial Reporting Standards.

## **Forward Looking Statements**

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of Bank of Cyprus Holdings Public Limited Company (together with Bank of Cyprus Public Company Limited, the 'Bank', and its subsidiaries, the 'Group') "and its current goals and expectations relating to its future financial condition and performance, the markets in which it operates and its future capital requirements.

These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements can usually be identified by terms used such as 'achieve', 'aim', 'anticipate', 'assume', 'believe', 'continue', 'could', 'estimate', 'expect', 'goal', 'intend', 'may', 'project', 'plan', 'seek', 'should', 'target', 'will' or similar expressions or variations thereof or their negative variations, but their absence does not mean that a statement is not forward-looking. Forward-looking statements can be made in writing but also may be made verbally by directors, officers and employees of the Group (including during management presentations) in connection with this document. Examples of forward-looking statements include, but are not limited to, statements relating to the Group's near term, medium term and longer term future capital requirements and ratios, intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, expected impairment charges, the level of the Group's assets, liquidity, performance, prospects, anticipated levels of growth, provisions, impairments, business strategies and opportunities, capital generation and distributions (including distribution policy), return on tangible equity and commitments and targets (including environmental, social and governance (ESG) commitments and targets). By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend upon circumstances, that will or may occur in the future. Factors that could cause actual business, strategy and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements made by the Group include, but are not limited to: general economic and political conditions in Cyprus, other European Union (EU) Member States and globally, interest rate and foreign exchange fluctuations, legislative, fiscal and regulatory developments, information technology, litigation and other operational risks, adverse market conditions, the impact of outbreaks, epidemics or pandemics and geopolitical developments. This creates significantly greater uncertainty about forward-looking statements. Should any one or more of these or other factors materialise, or should any underlying assumptions prove to be incorrect, the actual results or events could differ materially from those currently being anticipated as reflected in such forward-looking statements. The forward-looking statements made in this document are only applicable as at the date of publication of this document. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained in this document to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any statement is based. Changes in our reporting frameworks and accounting standards may have a material impact on the way we prepare our financial statements. In setting future targets and outlook, the Group has made certain assumptions about the macroeconomic environment and the Group's businesses, which are subject to change.

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# Why Bank of Cyprus

## Strong, Supportive Macro

- Open economy growing faster than the Eurozone average
- Fiscal discipline
- Sovereign rating; 3 notches above investment grade
- Attractive business hub with low tax regime

## Market Leader

- Market leader in a consolidated market
- #1 player in Banking sector
- #1 Life and #2 Non-Life Insurance in Cyprus
- #1 in domestic card processing and payment solutions

## Diversified & Sustainable Profitability

- Holistic offering with integrated bank-insurance-payment model; digitally engaged
- Managing the rate normalisation headwinds while investing in new growth initiatives
- Strong capital-light non-interest income
- Efficiency focus with low cost to income ratio

## Strong Capital Buffers & Distribution Capacity

- Strong, high quality capital base (CET1 of 20.6%) with healthy buffers and organic generation
- 12%<sup>1</sup> distribution yield paid out of 2024 earnings; c.2x increase in cash dividend yoy
- 2025 Distribution targeted at top end of payout range (70%)
- Introducing interim dividend payments; c.40% payout ratio (€0.20 per ordinary share)

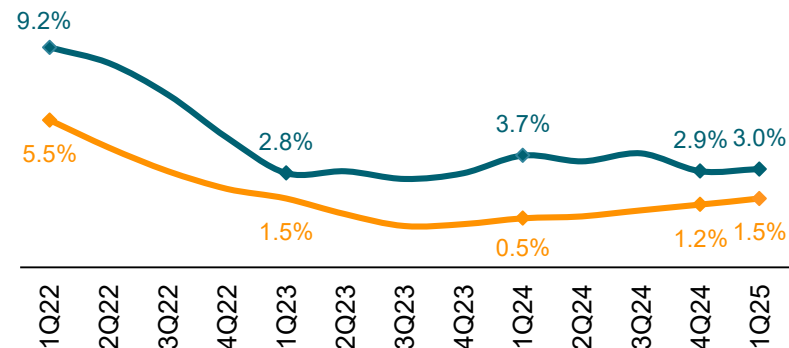
**Sustainable high-teens ROTE on 15% CET1 ratio in a normalised c.2% rate environment; 50-70% payout ratio**

1) Based on the share price as at 31 December 2024

# Resilient and Growing Cypriot Economy Despite Global Financial Instability

GDP expected to grow by c.3.0% in 2025, outpacing Euro area average

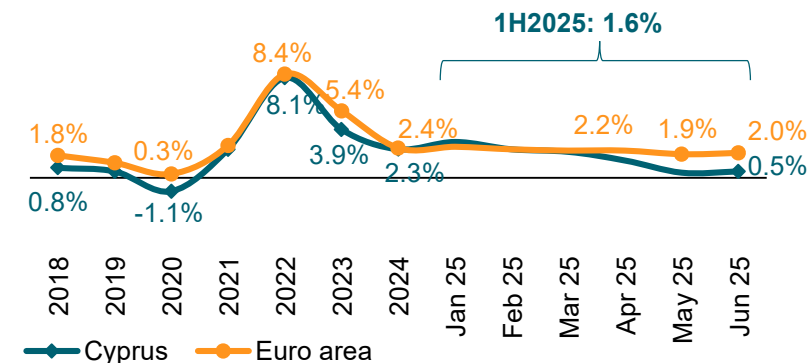
Real GDP (yoy % change)



Expected at c.3.0%<sup>1</sup> for 2025 (vs 0.9%<sup>2</sup> for Eurozone average)

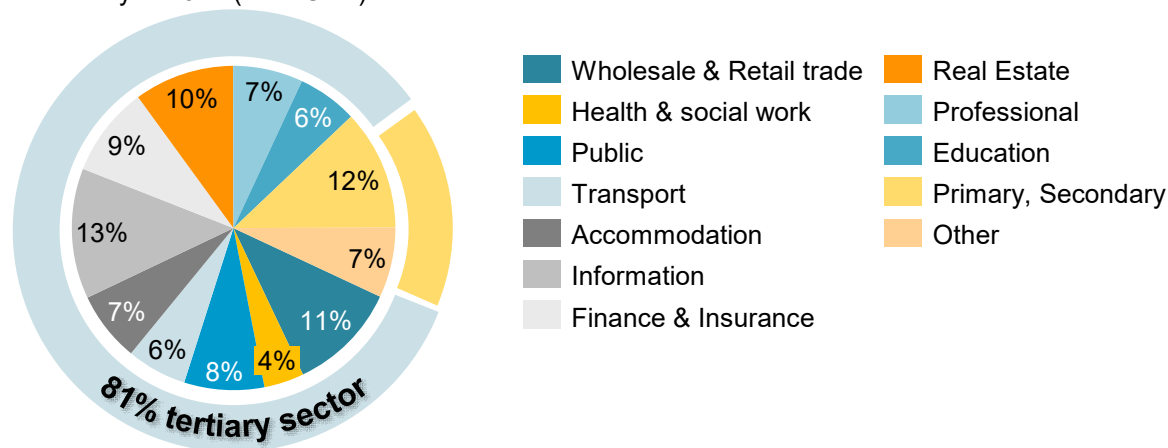
Cyprus inflation controlled at 0.5% in June 2025

Cyprus HICP<sup>3</sup> index (yoy% change)



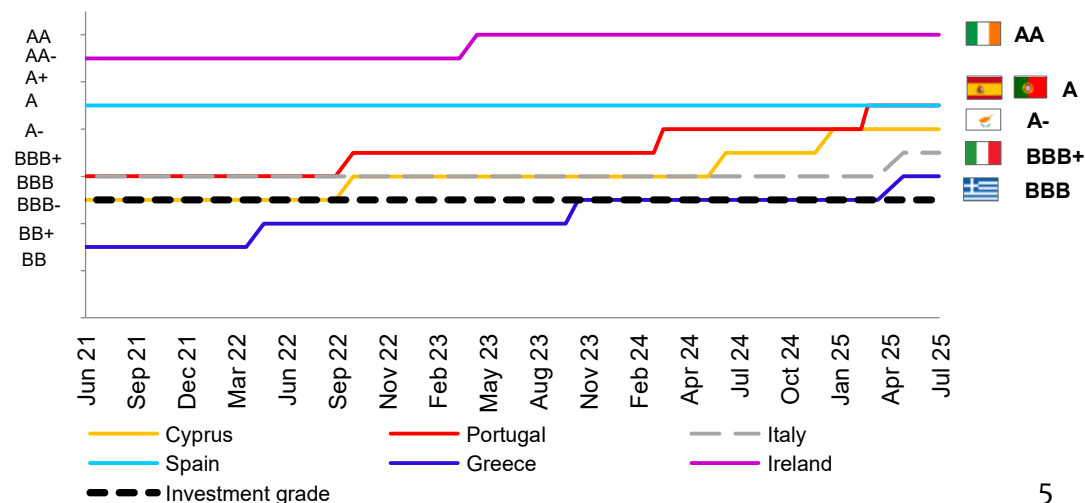
A diversified, service-based economy

Structure of Economy in 2024 (% of GVA)



Strong sovereign rating, 3 notches above investment grade

S&P



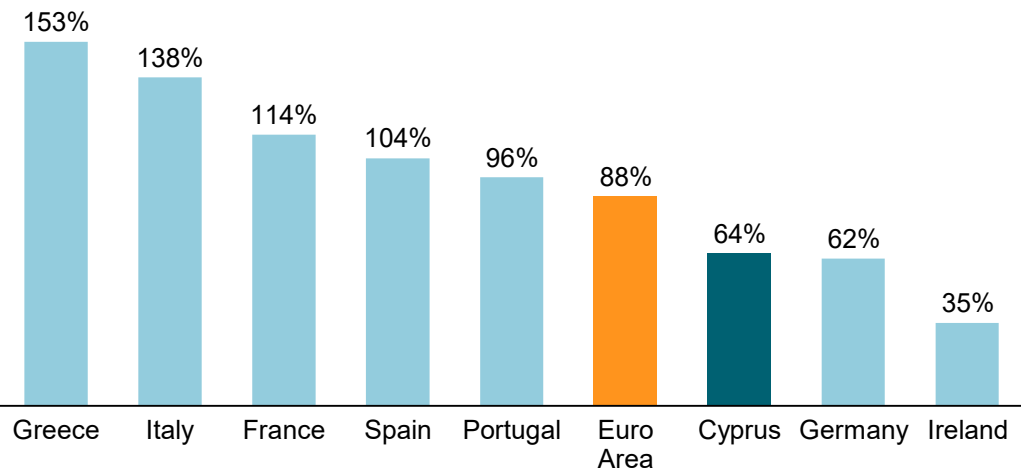
Source: Cystat, Eurostat

- 1) In accordance with Ministry of Finance March 2025 projections and Central Bank of Cyprus June 2025 projections
- 2) In accordance with Spring 2025 Economic Forecast of European Commission
- 3) Harmonised Index of Consumer Prices

# Cypriot Economy Outperforming European Average; Fiscal Surplus Since 2022

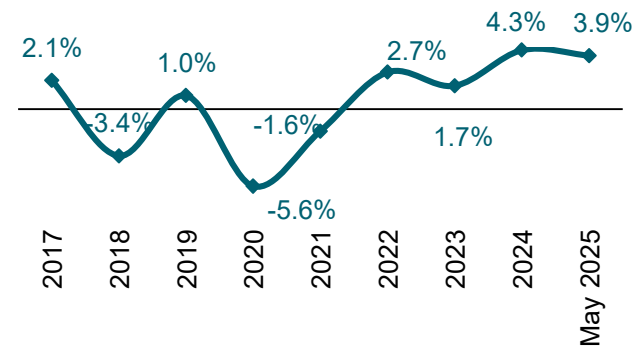
## Strong public debt to GDP, below Euro area average

As at 31 March 2025

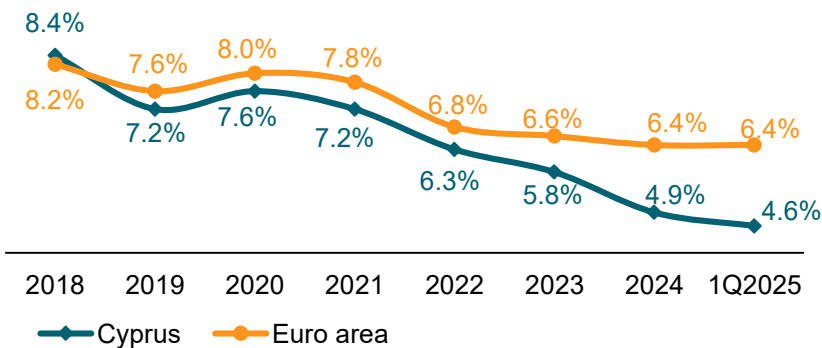


## Rebound in public finances from 2022 onwards

Budget surplus as % of GDP

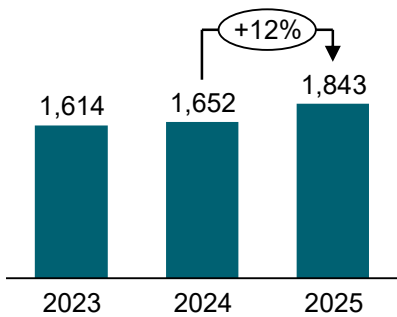


## Unemployment rate decreased to 4.6% for 1Q2025

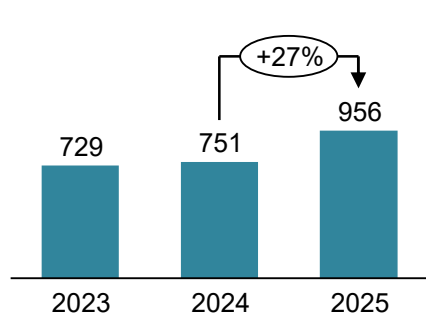


## Strong tourism performance, ahead of 1H2024 record arrivals

Tourist arrivals Jan-Jun (k)

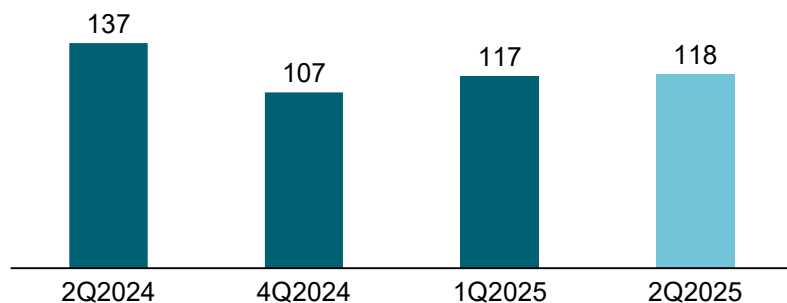


Tourist revenue Jan-May (€ mn)

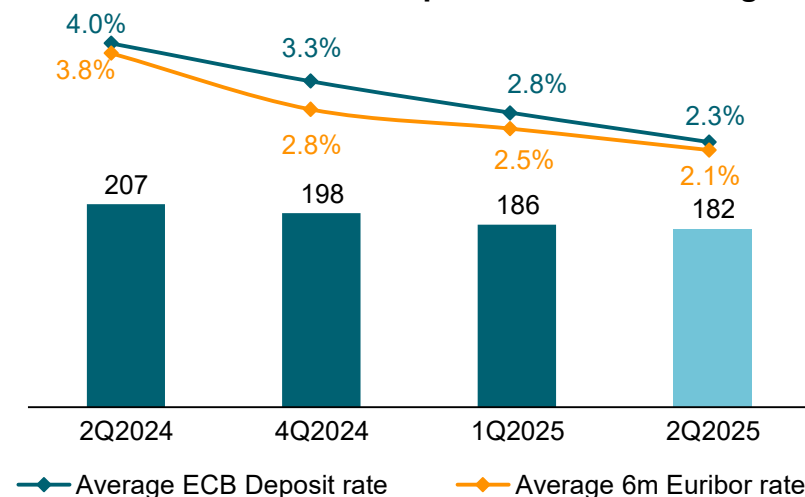


# 2Q2025- Strong Performance Maintained Across Key Metrics

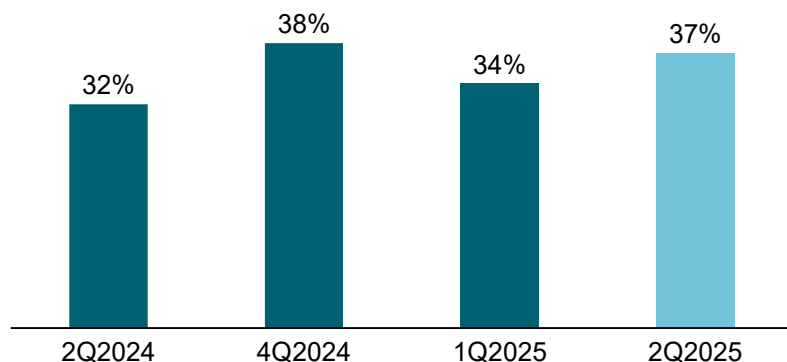
Profit after tax flat qoq at €118 mn



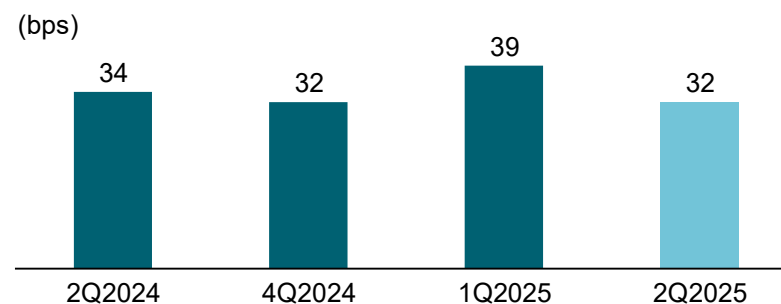
Controlled NII reduction as volume growth and deposit behaviour cushions the impact from normalising rates



Cost to income ratio<sup>1</sup> at 37%



Cost of risk reduced to 32 bps reflecting strong asset quality

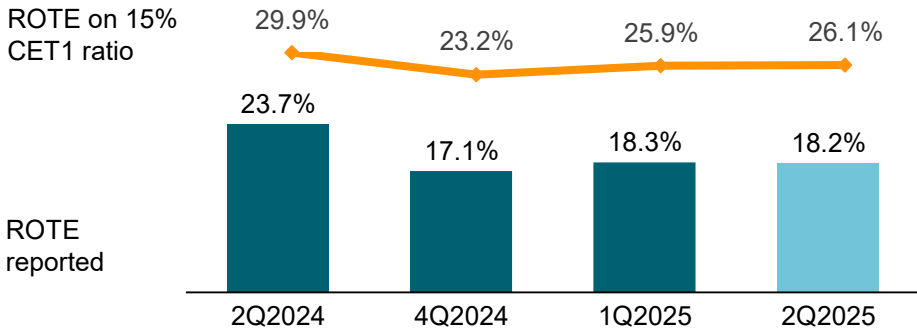


1) Excluding special levy on deposits and other levies/contributions

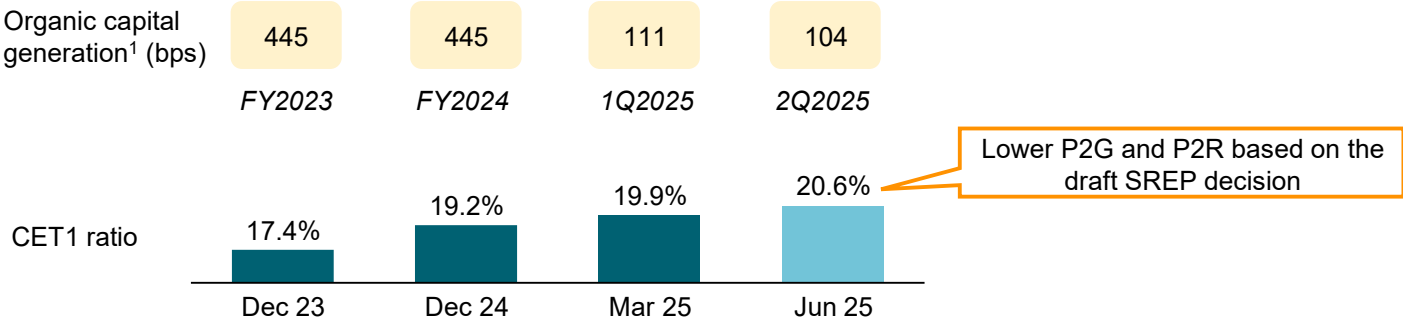
# Shareholder Value Creation



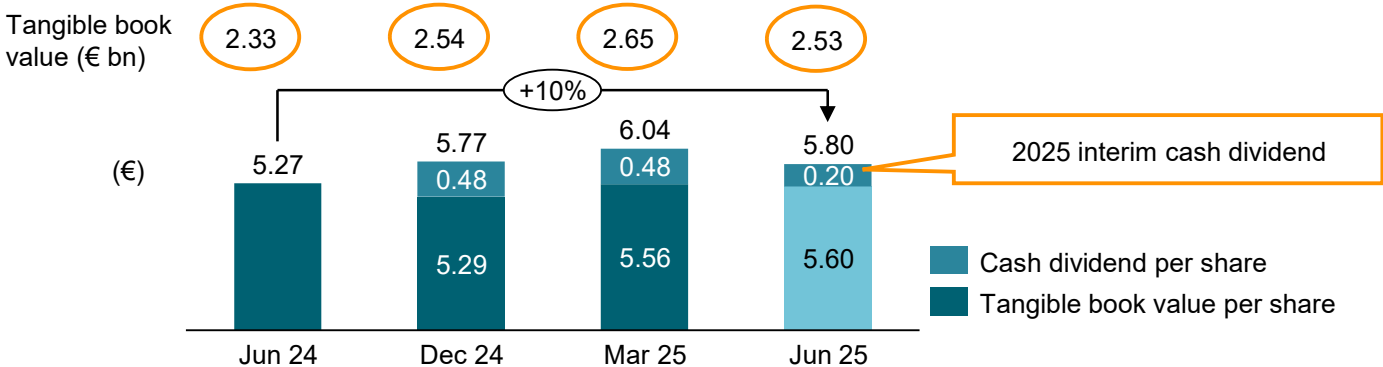
Maintaining strong ROTE of 18.2% despite rate reductions



Strong organic capital generation of 104 bps<sup>1</sup> in 2Q2025



Enhanced tangible book value per share, up 10% yoy



1) Pre RWA and other movements, based on profit after tax (pre-distributions) and after AT1 coupon payment (where applicable).



# 2025 Guidance: 70% Distribution and Upside to ROTE Target

	1H2025	2025 Targets (set in February 2025)	
<b>Net Interest Income</b> <i>Average ECB Depo rate</i>	€368 mn 2.6%	<€700 mn 2.3% <sup>4</sup>	Upside
<b>Cost to Income Ratio<sup>1</sup></b>	36%	c.40%	
<b>Cost of Risk</b>	36 bps	Towards the lower end of normalised levels of 40-50 bps	
<b>Organic capital generation<sup>2</sup></b>	215 bps	c.300 bps	Upside
<b>ROTE reported</b>	18.4%	Mid-teens	Towards the upper end of the range
<b>ROTE on 15% CET1 ratio</b>	26.0%	High-teens	Exceed
<b>Distributions (payout<sup>3</sup>)</b>	c.40% interim dividend	50-70% Introduction of interim dividends to be considered	70%

1) Excluding special levy on deposits and other levies/contributions

2) Pre RWA and other movements, based on profit after tax (pre-distributions) and after AT1 coupon payment (where applicable)

3) Calculated based on profit after tax before non-recurring items (attributable to the owners of the Company) taking into consideration the distributions from other equity instruments such as AT1 coupon; Subject to market conditions as well as the outcome of the Group's ongoing capital and liquidity planning strategy at the time.

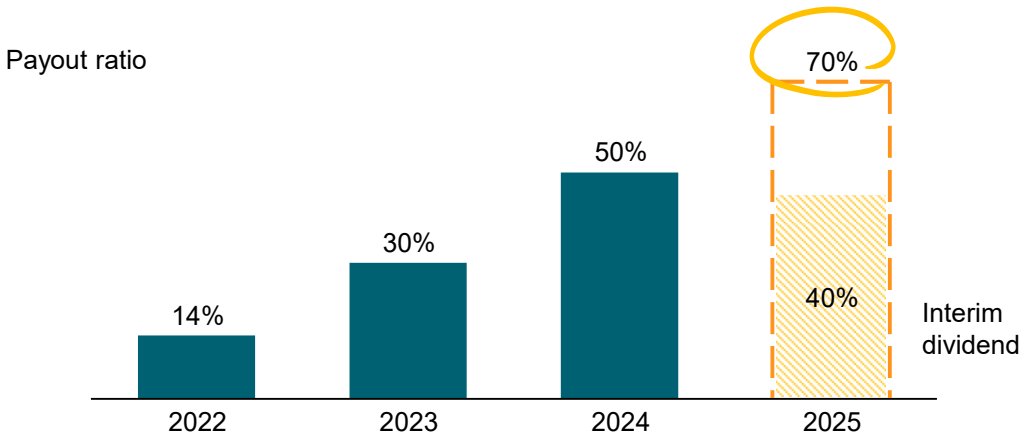
4) Please refer to slide 60 for the analysis of forward curves

# 2025 Distribution at 70% and Initiation of Interim Dividend

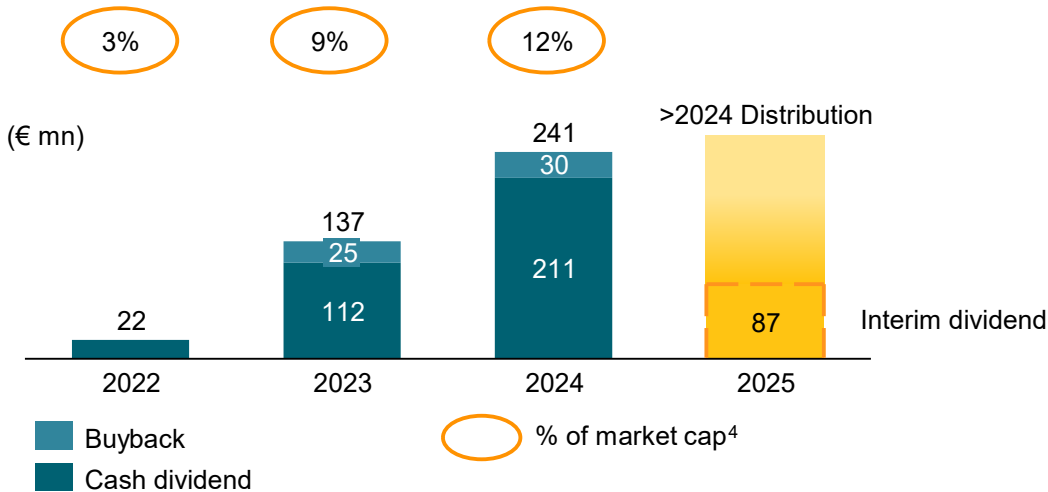
Building a strong track record of attractive shareholder returns

- ✓ **2025 Distribution targeted at 70% payout ratio<sup>1,2</sup>**, at the top end of Distribution Policy of 50-70% payout ratio
- ✓ Initiation of interim dividend at c.40% payout ratio (€87 mn) out of 1H2025 earnings
  - €0.20 per ordinary share; **3%<sup>3</sup> dividend yield**
- ✓ Delivered €400 mn cumulative distributions in 3 years; 24% of market cap<sup>4</sup>

2025 Distribution planned at top end of payout range



Attractive 2025 distributions



1) Subject to market conditions as well as the outcome of the Group's ongoing capital and liquidity planning strategy at the time and AGM approval

2) Calculated on adjusted recurring profitability  
3) Based on the share price as at 30 June 2025

4) Based on the share price at the end of each reporting period

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# 1H2025-Highlights

## Economic growth to continue

- Strong Cypriot economy growing faster than Euro area average
- Strong new lending of €1.6 bn in 1H2025, up 31% yoy, driven mainly by international and corporate demand
- Gross performing loans at €10.66 bn, up 5% since December 2024

## Attractive profitability

- Profit after tax of €118 mn for 2Q2025, flat qoq; €235 mn for 1H2025
- Cost to income ratio<sup>1</sup> at 36%
- ROTE of 18.4% ahead of target; Basic earnings per share of €0.54

## Liquid and resilient balance sheet

- NPE ratio reduced to 1.7%
- Cost of risk at 36 bps
- Retail funded deposit base at €20.9 bn, up 6% on a yearly basis

## Robust capital position

- Regulatory CET1 ratio at 20.6% and Total Capital ratio at 25.8%
- Organic capital generation<sup>2</sup> of 215 bps in 1H2025
- Tangible book value per share of €5.80 as at 30 June 2025, up 10% yoy

## Enhanced shareholders returns

- Introduction of interim dividend; 2025 interim set at c.40% payout ratio (€0.20 per ordinary share)
- **2025 distribution targeted at 70%<sup>3</sup> payout ratio**

1) Excluding special levy on deposits and other levies/contributions

2) Pre RWA and other movements, based on profit after tax (pre-distributions) and after AT1 coupon payment (where applicable)

3) Subject to market conditions as well as the outcome of the Group's ongoing capital and liquidity planning strategy at the time and AGM approval 12

# Income Statement

€ mn	1H2025	1H2024	yoy%	2Q2025	1Q2025	qoq%
Net Interest Income	368	420	-12%	182	186	-2%
Non-interest income	141	129	10%	72	69	5%
Total income	509	549	-7%	254	255	0%
Total operating expenses	(181)	(167)	8%	(94)	(87)	7%
Special levies on deposits and other levies/ contributions	(16)	(19)	-17%	(8)	(8)	1%
<b>Operating profit</b>	<b>312</b>	<b>363</b>	-14%	<b>152</b>	<b>160</b>	<b>-4%</b>
Provisions and impairments	(34)	(44)	-20%	(12)	(22)	-41%
<b>Profit before tax</b>	<b>278</b>	<b>319</b>	-13%	<b>140</b>	<b>138</b>	<b>2%</b>
Tax	(42)	(48)	-13%	(22)	(20)	9%
<b>Profit after tax</b>	<b>235</b>	<b>270</b>	-13%	<b>118</b>	<b>117</b>	<b>1%</b>

## Key Ratios

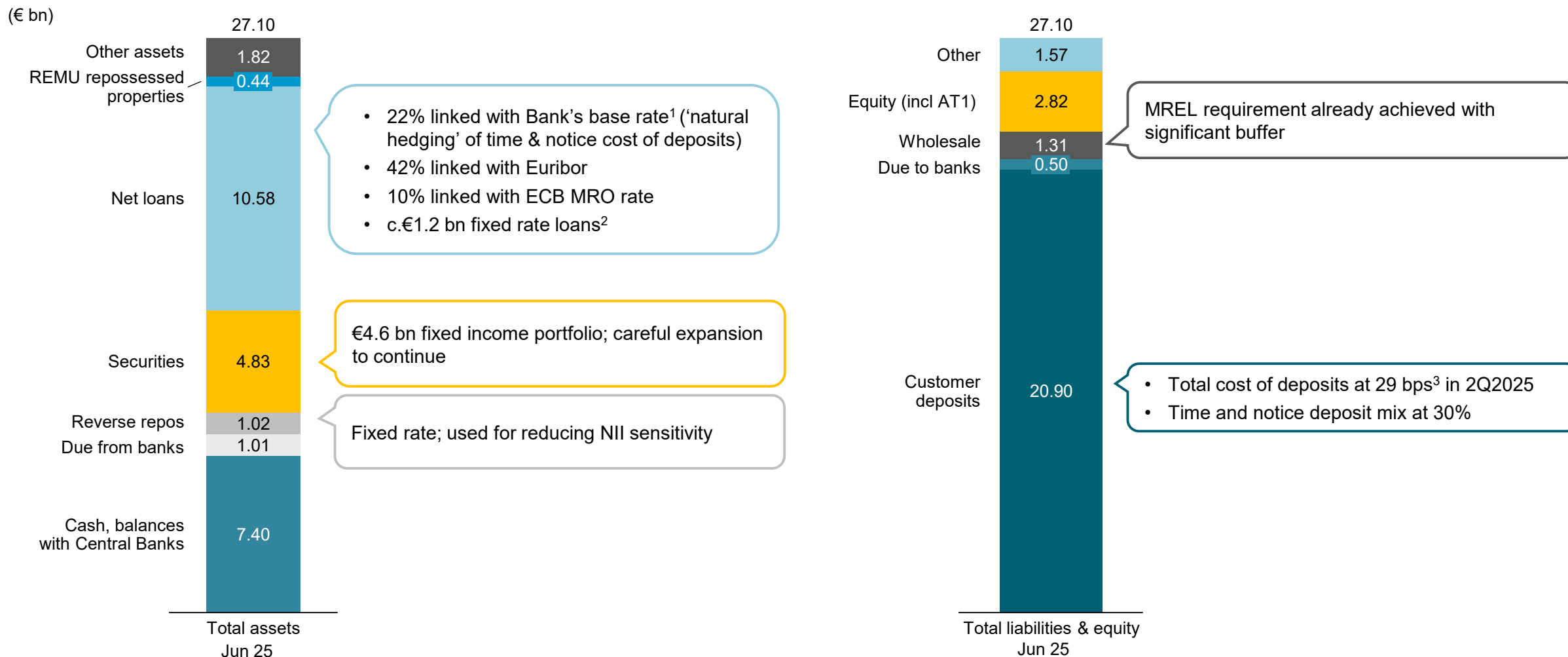
<b>Net Interest margin</b>	<b>3.05%</b>	<b>3.66%</b>	<b>-61 bps</b>	<b>2.98%</b>	<b>3.13%</b>	<b>-15 bps</b>
<b>Net Interest margin (excluding TLTRO III)</b>	<b>3.05%</b>	<b>3.79%</b>	<b>-74 bps</b>	<b>2.98%</b>	<b>3.13%</b>	<b>-15 bps</b>
<b>Cost to income ratio<sup>1</sup></b>	<b>36%</b>	<b>30%</b>	<b>6 p.p.</b>	<b>37%</b>	<b>34%</b>	<b>3 p.p.</b>
<b>Cost of Risk</b>	<b>0.36%</b>	<b>0.31%</b>	<b>5 bps</b>	<b>0.32%</b>	<b>0.39%</b>	<b>-7 bps</b>
<b>EPS (€)</b>	<b>0.54</b>	<b>0.61</b>	<b>-0.07</b>	<b>0.27</b>	<b>0.27</b>	<b>-</b>
<b>ROTE</b>	<b>18.4%</b>	<b>23.7%</b>	<b>-5.3 p.p.</b>	<b>18.2%</b>	<b>18.3%</b>	<b>-0.1 p.p.</b>
<b>ROTE on 15% CET1 ratio</b>	<b>26.0%</b>	<b>29.6%</b>	<b>-3.6 p.p.</b>	<b>26.1%</b>	<b>25.9%</b>	<b>0.2 p.p.</b>
<b>Adjusted recurring profitability<sup>2</sup></b>	<b>222</b>	<b>257</b>	<b>-14%</b>	<b>105</b>	<b>117</b>	<b>-11%</b>

1) Excluding special levy on deposits and other levies/contributions

2) Profit after tax before non-recurring items (attributable to the owners of the Company) taking into consideration the distributions from other equity instruments such as AT1 coupon. Used for the distribution payout ratio calculation, in line with the Distribution Policy



# Highly Liquid Balance Sheet Being Positioned for Lower Rates



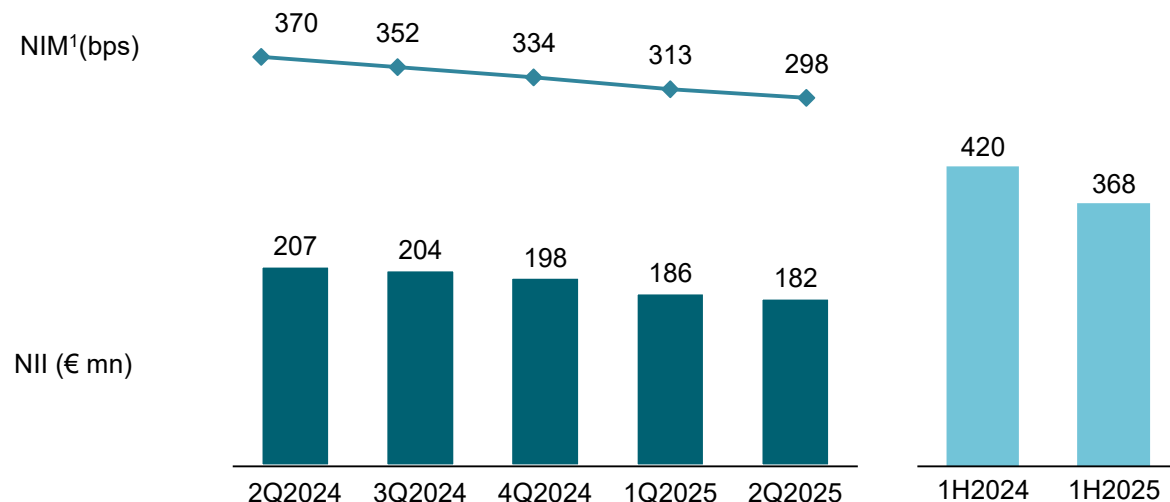
1) Linked to the weighted average of the average interest rate paid on euro-denominated household deposits in the Republic of Cyprus (outstanding amounts) by euro area residents with agreed maturities of up to 2 years as published on the website of the Central Bank of Cyprus and the Bank's cost of wholesale funding

2) Loans with fixed rate period >2 years

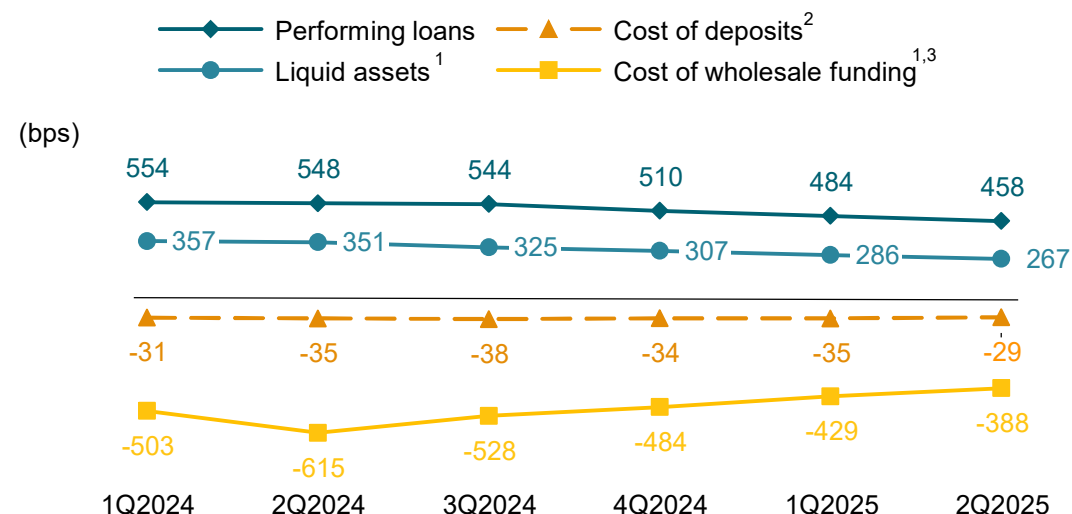
3) Does not include the impact of IRSs on hedging of non maturing deposits

# Resilient NII Amid Rate Normalisation Cycle Underpinned by Volume Growth and Deposit Behaviour

NII remained strong at €182 mn; NIM at 298 bps



Effective yield on assets & cost of funding



- 1H2025 NII down 12% yoy reflecting the normalisation of interest rate environment, as expected
- 2Q2025 NII down 2 qoq; controlled decline as repricing of liquid assets and variable rate loans partly offset by loan and deposit growth
- Cost of deposits reduced to 29 bps reflecting reduction in term deposit pricing
- 2Q2025 NIM down 15 bps qoq mainly impacted by the lower NII and increase in liquid assets

## Outlook

- On the back of strong loan growth and improved deposit trends, 2025 NII now better than previously guided; upside to <€700 mn
- 2026 NII expected to stabilise <€650 mn (unchanged)

1) Calculation for NIM, effective yields on liquids assets and cost of wholesale funding (including cost of hedging), was adjusted to exclude the impact of TLTRO III (repaid in June 2024) on both NII and on interest earning assets & bearing liabilities

2) Does not include the impact of IRSs on hedging of non maturing deposits. Calculation of cost of deposits refined to use the interest expense on deposits annualized (based on year-to-date days) divided by the quarterly average of customers deposits at each quarter end

3) Calculation of cost of wholesale funding has been adjusted to include the respective impact of hedging

# Continued Hedging Actions Further Reducing NII Sensitivity

Hedging (€ bn)	Dec 2024	Mar 2025	Jun 2025
Receive fixed IRSs <sup>1</sup> on non-maturing deposits	2.91	3.40	3.89
Receive fixed IRSs <sup>1</sup> on wholesale funding	1.25	1.25	1.25
Reverse repos <sup>2</sup>	1.00	1.00	1.00
Fixed rate bonds	3.81	4.07	4.21
<b>Total</b>	<b>8.97</b>	<b>9.72</b>	<b>10.35</b>

Average fixed rate 2.8%

NII sensitivity to parallel shift in interest rates (annualised)<sup>6</sup>

-100 bps	Dec 2022	Dec 2024	Jun 2025
EUR	-€126 mn	-€83 mn	-€74 mn
USD	-€2 mn	-€2 mn	-€1 mn
<b>Total</b>	<b>-€128 mn</b>	<b>-€85 mn</b>	<b>-€75 mn</b>
Sensitivity/Total NII	35%	10%	10%

- **€0.6 bn additional hedging in 2Q2025**, totaling €10.3 bn at 30 June 2025; 42% of interest earning assets (vs 37% at 31 December 2024)
- c.€1 bn additional hedging through IRSs<sup>3</sup> in 1H2025, achieving 2025 target
- **Natural hedging on cost of deposits**: €2.4 bn base rate loans<sup>4</sup> at 30 June 2025 (22% of loan book); natural hedging of c.55% of household Time & Notice deposits
- €1.2 bn fixed rate loans<sup>5</sup> as at 30 June 2025

**€53 mn reduction  
since Dec 2022**

## Outlook

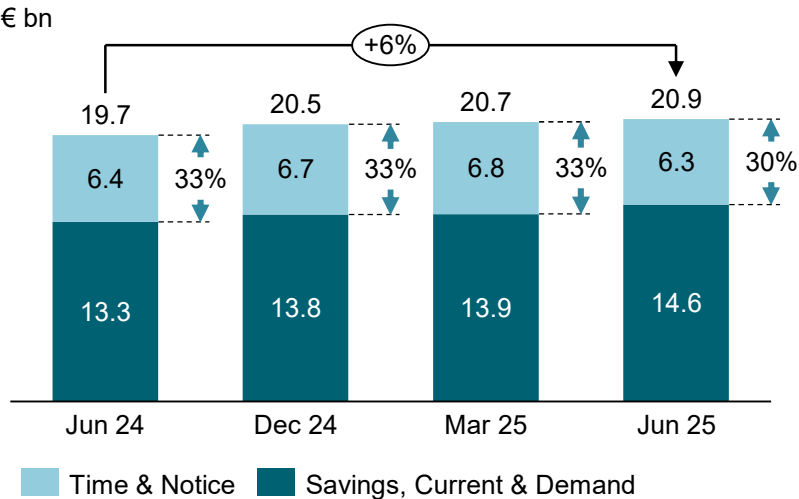
- Continue managing the balance sheet dynamically subject to market conditions

1) Interest Rate Swaps  
 2) Collateralised lending agreements between banks  
 3) Including replacement of existing IRSs maturing in 2026

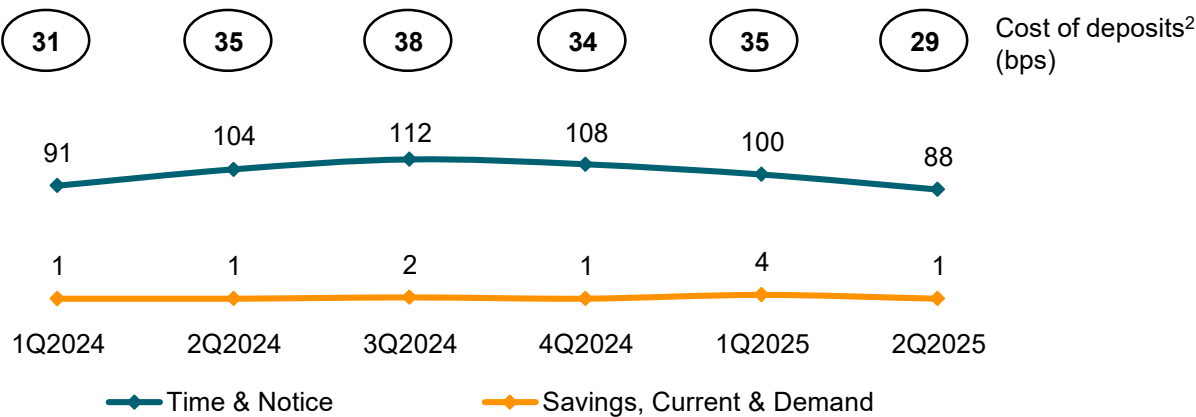
4) Linked to the weighted average of the average interest rate paid on euro-denominated household deposits in Cyprus by euro area residents with agreed maturities of up to 2 years as published on the website of the Central Bank of Cyprus and the Bank's cost of wholesale funding  
 5) Loans with fixed rate period >2 years  
 6) Based on key assumptions, refer to slide 75

# Deposits up 6% yoy; Improved Deposit Pricing and Mix

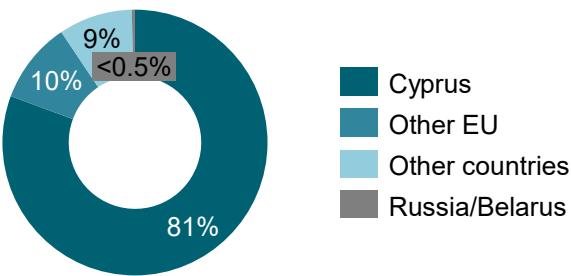
Deposits at €20.9 bn up 1% qoq; mix at 30%, down 3 p.p. qoq



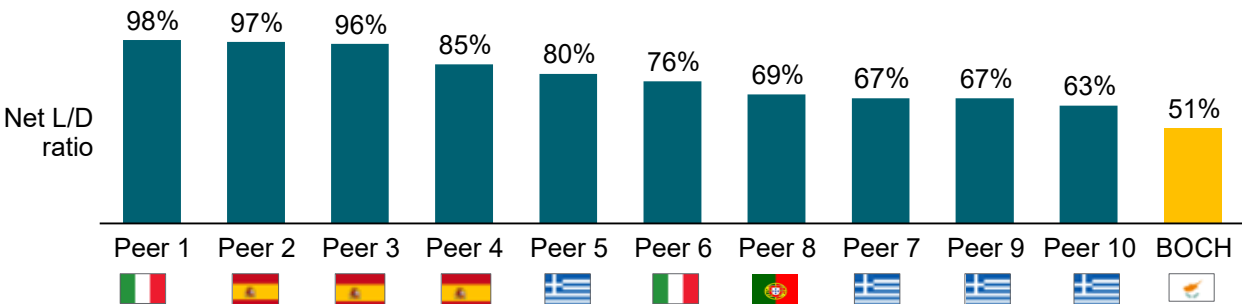
Cost of deposits in a downward trend, at 0.29%<sup>1</sup> in 2Q2025



Group deposits by UBO country of residence



Cypriot banks have lower L/D ratios compared to Euro area peers

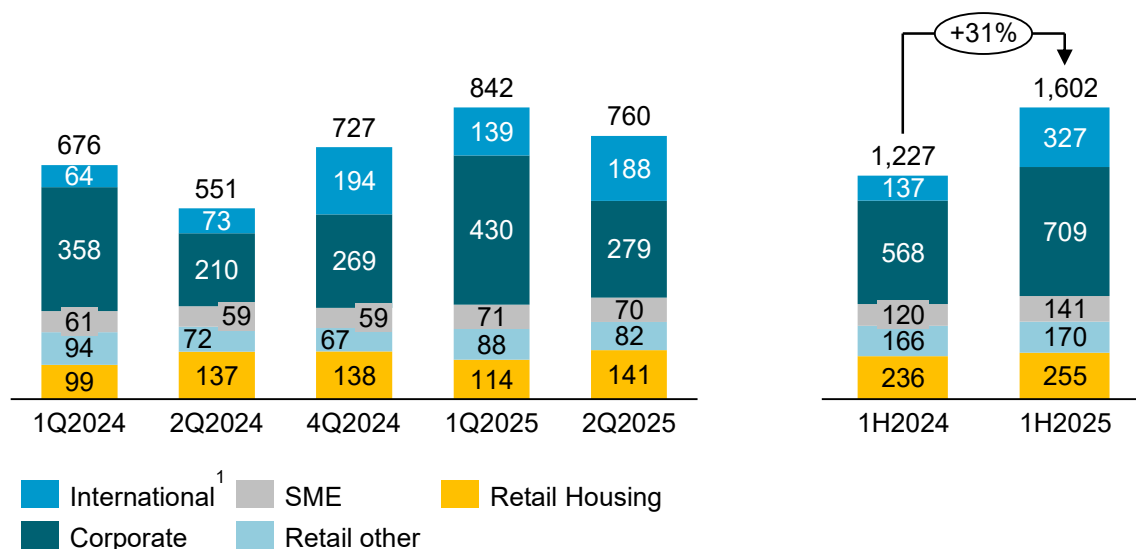


1) Does not include the impact of IRSs on hedging of non maturing deposits  
2) Calculation of cost of deposits refined to use the interest expense on deposits annualized (based on year-to-date days) divided by the quarterly average of customers deposits at each quarter end

# Strong New Lending at €1.6 bn; up 31% yoy

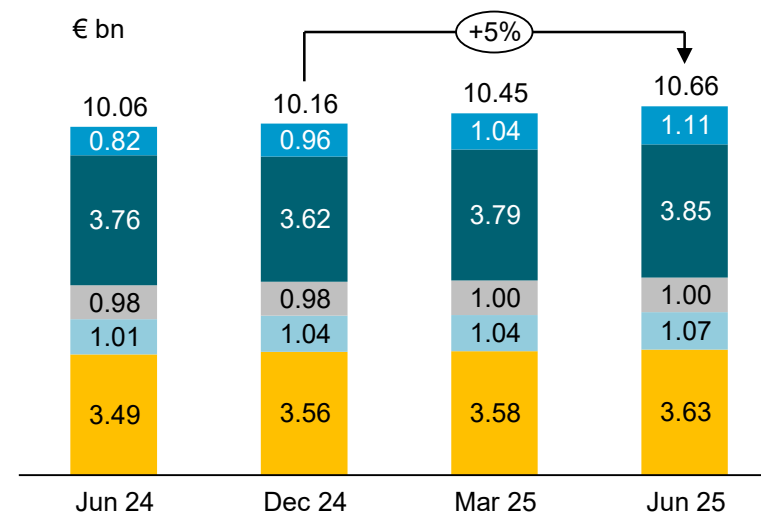
## New lending at €760 mn in 2Q2025

€ mn



## Gross performing book<sup>2</sup> up 5% since December 2024

€ bn



- New lending up 31% yoy, mainly driven by International and Corporate demand
- Gross performing loans up 5% since December 2024
- International loan book expanded by 16% since December 2024 to €1.1 bn, on track with the target of c.€1.5 bn in the medium-term<sup>3</sup>
- Strong track record of repayment capability; >99% of new exposures<sup>4</sup> in Cyprus since 2016 are performing

## Outlook

- c.4% loan growth target is likely to be exceeded in 2025, with growth skewed in 1H2025 and seasonally slower in 2H2025

1) Includes international corporate, syndicated and shipping

2) Includes Corporate, International corporate, International business services, SME and Retail

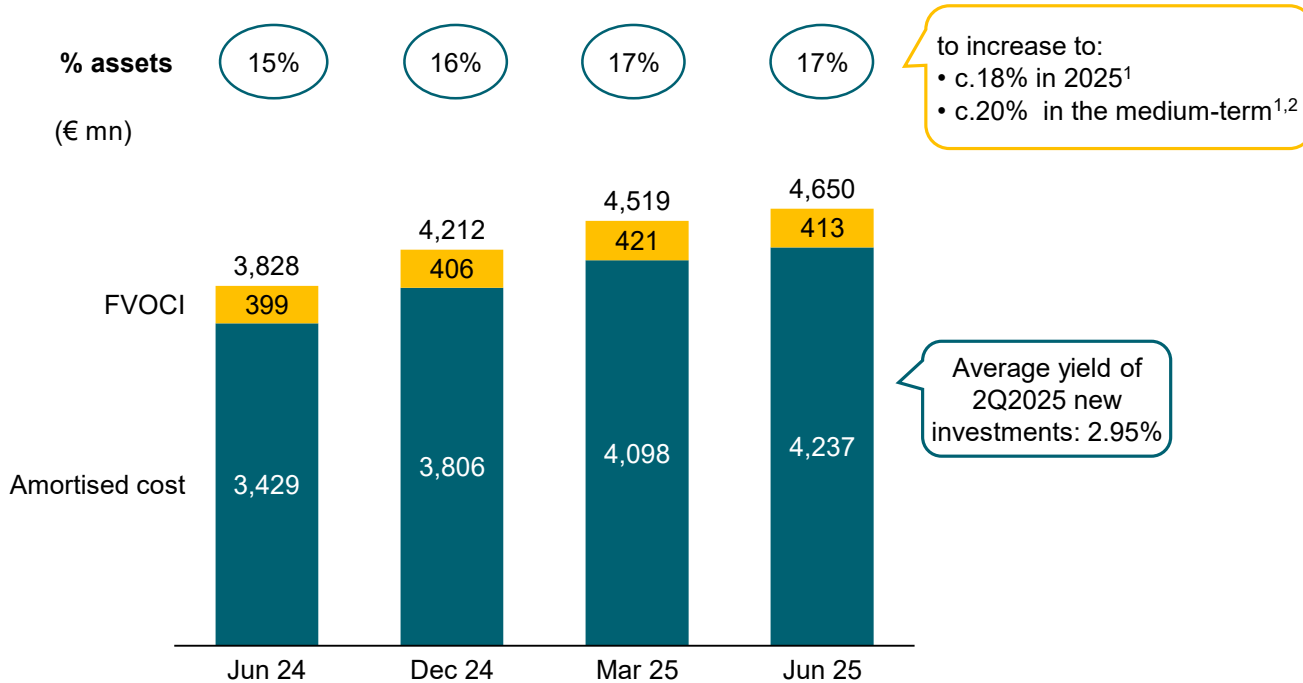
3) For a period of 3 years

4) Facilities/limits approved in the reporting period

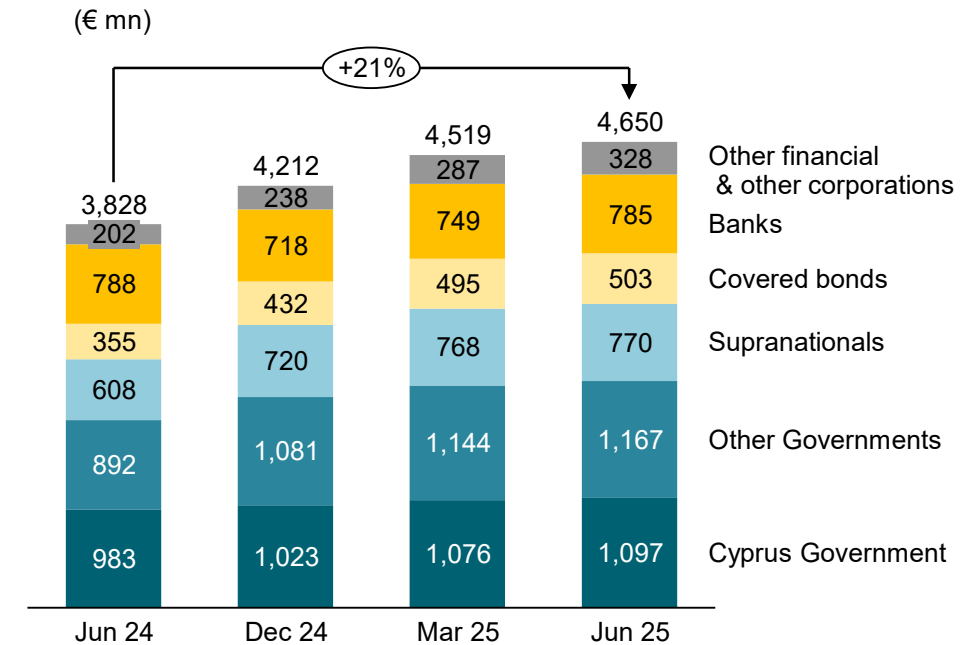


# Fixed Income Portfolio up 21% yoy, Representing 17% of Total Assets

## Fixed income securities per category - NBV



## Fixed income securities per issuer type - NBV

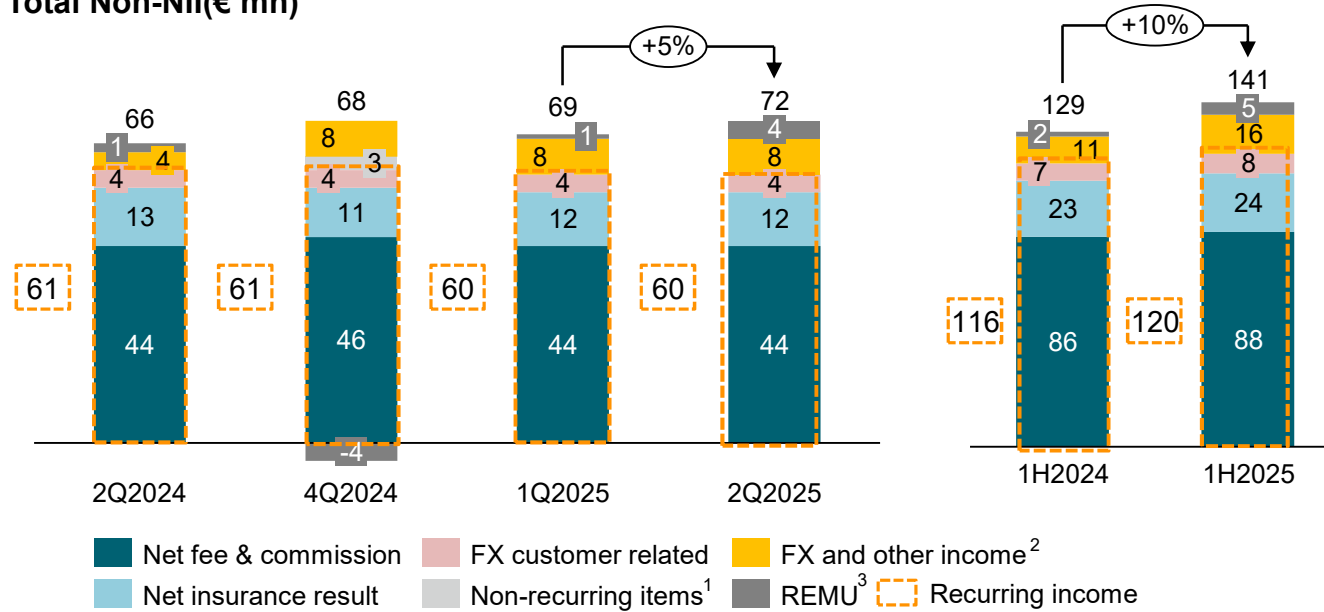


	Amortised cost	FVOCI
Average contractual duration (years)	3.74	3.20
Average duration after interest rate hedging (years)	3.68	0.56
Average rating	Aa2	A1

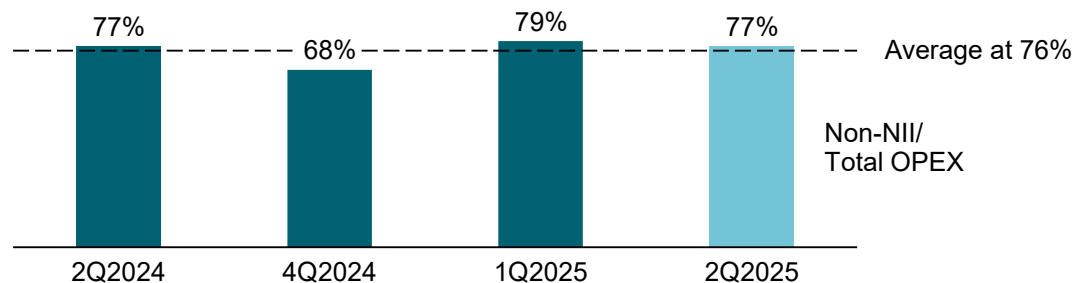
1) Subject to market conditions  
2) For a period of 3 years

# Non-NII at €72 mn in 2Q2025, up 5% qoq

Total Non-NII(€ mn)



## Non-NII continues covering 70-80% of total operating expenses<sup>5</sup>



- Non-NII up 10% yoy reflecting;
  - Higher net fee and commission income by 2% yoy, primarily due to higher non-transactional fees
  - Higher REMU gains on the back of the elevated sales performed in 2Q2025, in line with the Group's disposal acceleration strategy
  - Higher net foreign exchange gains and net gains on financial instruments reflecting mainly revaluation gains on financial instruments
  - Net FX gains/(losses) & net gains/(losses) on financial instruments and REMU are volatile profit contributors
- Non-NII up 5% qoq reflecting one-off positive REMU contribution

## Outlook

- Net fee and commission income to grow by c.4% p.a. over the medium-term<sup>4</sup>

1) Relates to insurance receivable and release of lease liability  
 2) Net FX gains/(losses) & Net gains/(losses) on financial instruments and other income  
 3) Gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties

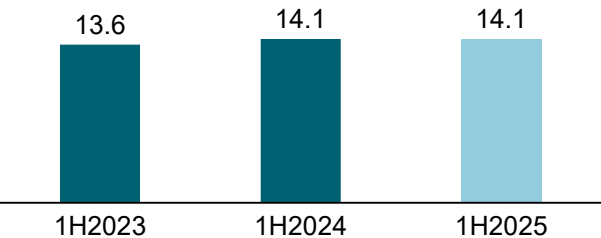
4) For a period of 3 years  
 5) Excluding special levy on deposits and other levies/contributions

# Profitable Life Insurance Business - Valuable and Sustainable Contribution to the Group



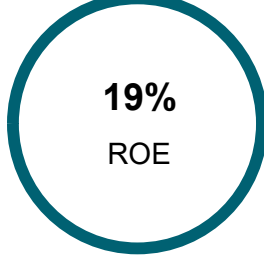
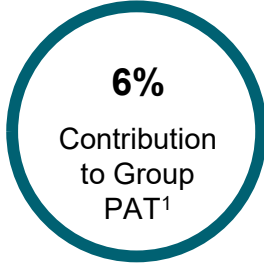
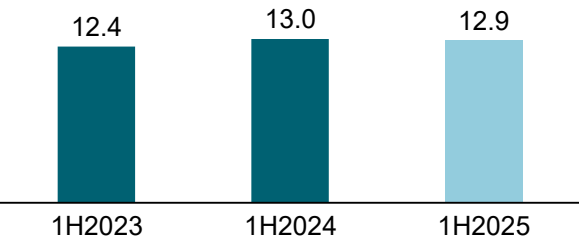
## Net insurance result

(€ mn)



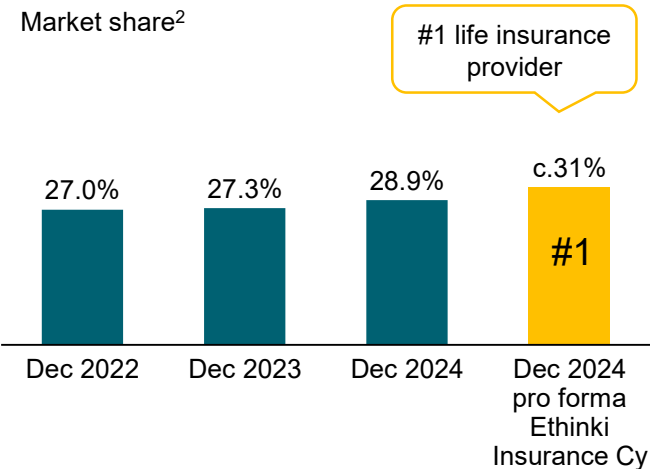
## Recurring PAT<sup>1</sup>

(€ mn)



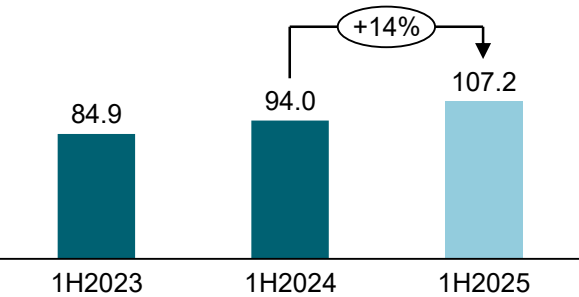
## Become the #1 Life insurance provider

Market share<sup>2</sup>



## Total regular income up 14% yoy

Total regular income (€ mn)



- Total regular income up 14% yoy, driven by increased new business
- Solvency ratio at 229% as at 30 June 2025

- Acquisition of Ethniki Insurance Cyprus Ltd completed in July 2025 (refer to slide 23)
- Expands customer franchise, become the #1 Life insurance provider

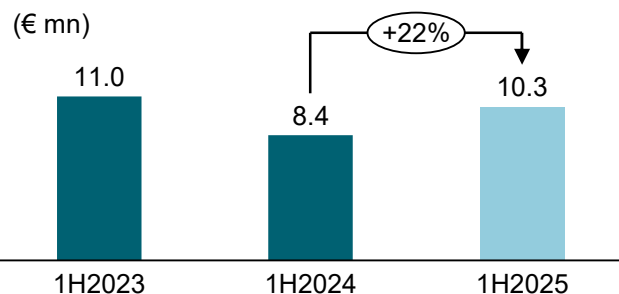


1) Contribution to the Group. Adjusted to exclude intercompany transactions between insurance companies and the Bank  
2) Based on statistics of the Insurance Association of Cyprus (<https://www.iac.org.cy/en/statistics/iac-statistical-results>). Life market share for Ethniki Insurance has been adjusted to exclude single premiums and include Accident and Health premiums, in line with Bank's approach

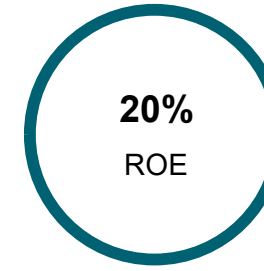
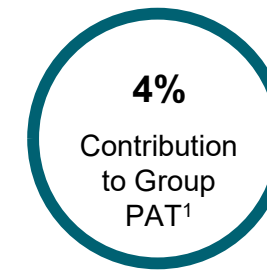
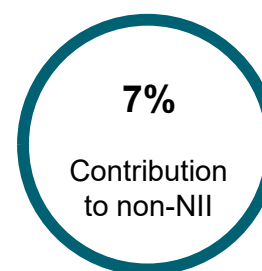
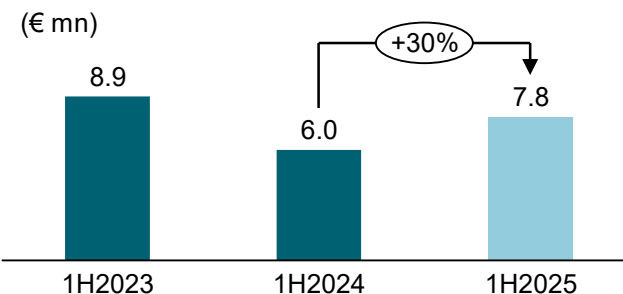
# Profitable Non-Life Insurance Business - Valuable and Sustainable Contribution to the Group



## Net insurance result

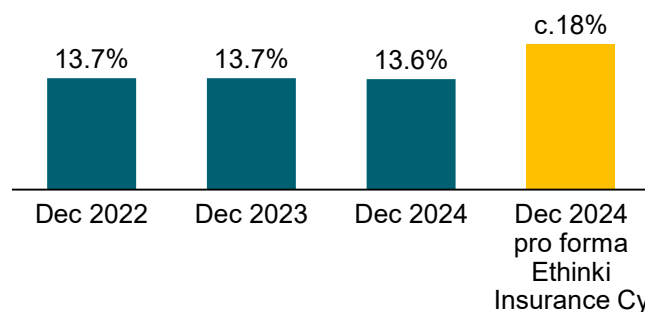


## Recurring PAT<sup>1</sup>

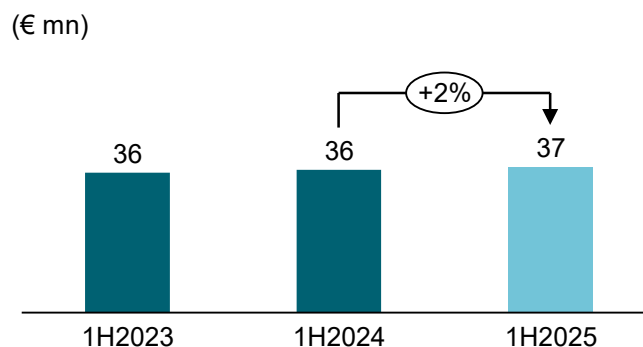


## #2 Non-Life insurance provider

Market share<sup>2</sup>



## Gross Written Premium (GWP)



- GWP up 2% yoy mainly due to increased renewal business
- Recurring PAT<sup>1</sup> up 30% yoy mainly due to improved claims experience following the severe weather-related events occurred in 1H2024
- Recent wildfires in Limassol are currently estimated to have a pre-tax impact of <€5 mn
- Solvency ratio at 218% as at 30 June 2025

- Acquisition of Ethniki Insurance Cyprus Ltd completed in July 2025 (refer to slide 23)



- Strengthening market position, expand customer franchise

1) Contribution to the Group. Adjusted to exclude intercompany transactions between insurance companies and the Bank  
 2) Based on statistics of the Insurance Association of Cyprus (<https://www.iac.org.cy/en/statistics/iac-statistical-results>)

# Acquisition of Ethniki Insurance Cyprus Ltd Completed in July 2025

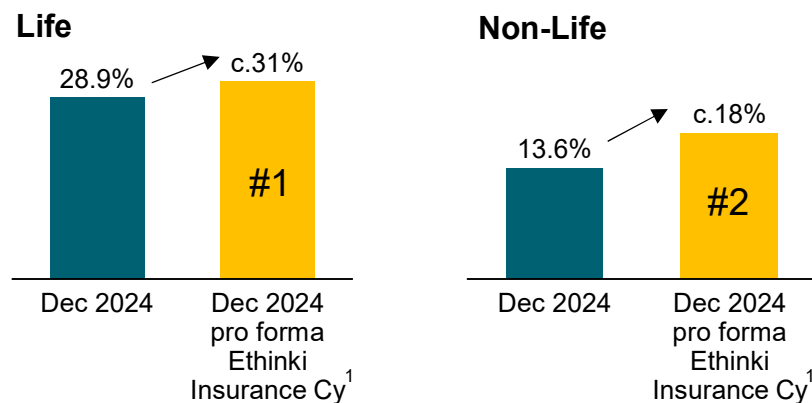
- Total consideration of €29.3 mn, in cash; c.15 bps capital impact
- The transaction is aligned with the strategy of the Group to:
  - further solidify leading market positions in both Life and Non-Life markets
  - expand insurance operations and customer base
  - invest capital in small bolt-on M&A to deliver value to shareholders



## Key financials

3% <sup>1</sup>	4% <sup>1</sup>
Life market share	Non-life market share
€22 mn	€2 mn
Gross written premiums <sup>2</sup>	Net insurance result <sup>2</sup>

## Strengthening leading position in insurance sector...



## ...bolstering Non-NII contribution to Group's revenues

**+15%<sup>2</sup> yoy increase** in Group's gross written premiums

**+ 10%<sup>2</sup> increase** in Group's net insurance result

1) Based on statistics of the Insurance Association of Cyprus for the period 1 January 2024 to 31 December 2024 (<https://www.iac.org.cy/en/statistics/iac-statistical-results>). Life market share for Ethniki Insurance has been adjusted to exclude single premiums and include Accident and Health premiums, in line with Bank's approach

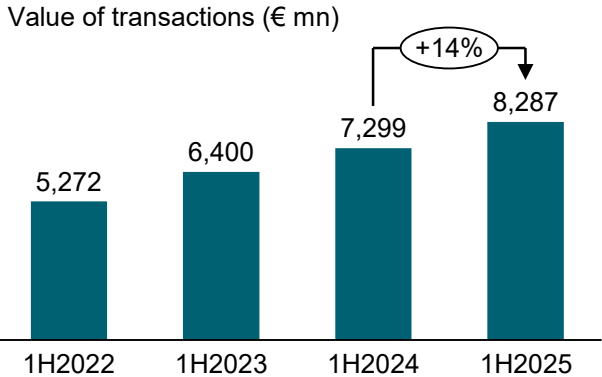
2) Based on the management accounts for the six months ended 30 June 2025 of Ethniki Insurance Cyprus Ltd



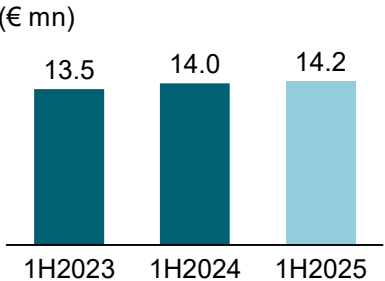
# Leading Card Processing and Payment Solutions Business in Cyprus



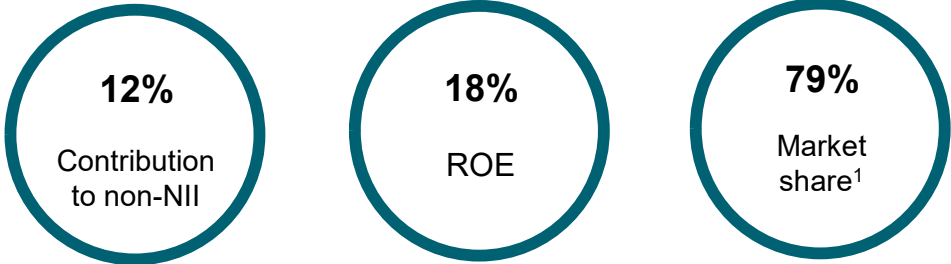
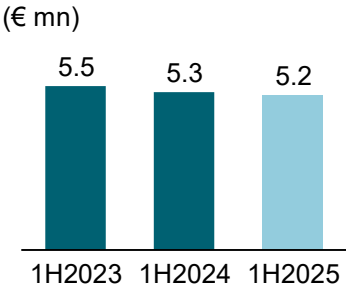
## Strong transaction growth in value; up 14% yoy



## Net fee and commission income



## Recurring PAT<sup>2</sup>



- Net fee and commission income broadly flat yoy, reflecting increased F&C expense due to higher third-party commissions absorbed internally
- Recurring PAT<sup>2</sup> down 3% qoq, reflecting higher IT spendings for enhancing technology capabilities aiming to transform JCC to a digital economy service provider over the medium term
- One-stop shop, providing various innovative solutions
- Backed by the Group with 75% stake

1) As at 30 June 2025, based on internal estimates  
2) Contribution to the Group

# Leveraging on Digital Offerings to Enhance Group's Sales and Customer Experience...



Increased use across all digital channels

As at 30 June 2025

493k

active users of Digital Channels

460k

active mobile app users

239k

active QuickPay users

230k

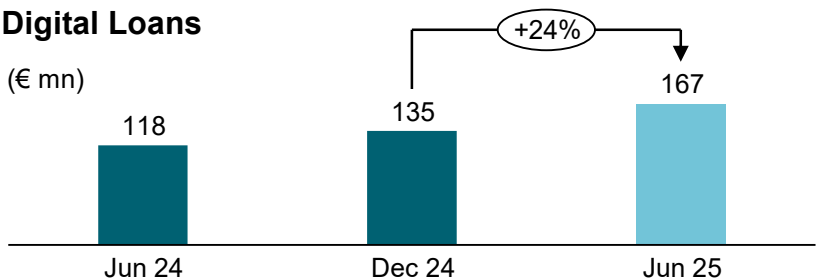
Record unique customer logins per day  
in 1H2025



Strong results from digital sales, both in banking and insurance

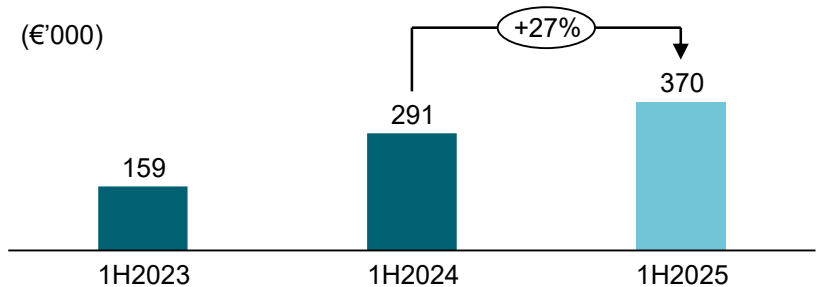
## Digital Loans

(€ mn)



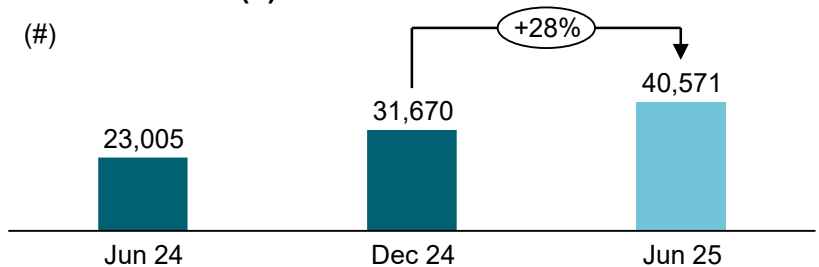
## Non-life insurance digital sales

(€'000)



## QuickAccounts (#)

(#)



# ... While Continuously Investing in New Digital Initiatives Engaging Clients

## Recent key digital initiatives

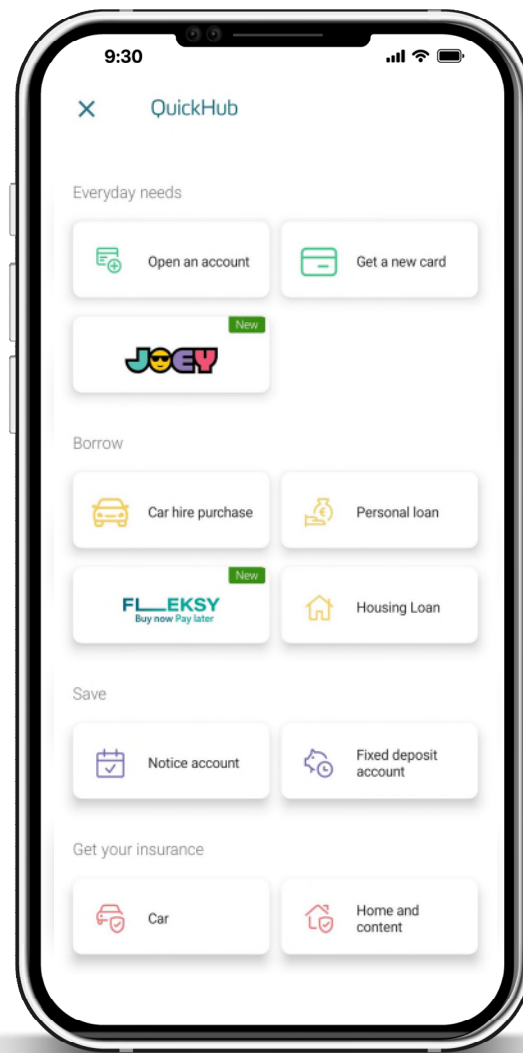


- Micro lending solution
- Automated decision making
- Flexible repayment plans
- Available to the full client base in Mobile app in 1Q2025 and Internet banking in July 2025

## Digital Housing Loan



- Digital application with instant decision
- Variable or fixed interest rates
- Personalised solutions proposed
- Available to the full client base in Internet banking in 1Q2025 and Mobile app in July 2025



- Teens can spend and save money
- Parents can securely send money for their teens to use under their watchful eye
- Sending money between Joeys enabled in 1Q2025



- Benefits for teens & parents
- Instant discounts at selected local merchants
- Cash back on selected online gaming merchants
- Available to Joeys since 1 July 2025

# JINIUS; Leader in Shaping the Digital Local Economy



## Business-to-Business (B2B)

- Electronic Invoicing
- Remittance management
- Tenders management
- Ecosystem management



## Business-to-Consumer (B2C)

- First service launched in April 2024
- Product Marketplace (13 product categories, including Fashion, Technology, Beauty etc). Further categories to be introduced
- Jinius Mobile Apps (iOS and Android)



## Going forward...

- Embed banking services & insurance products in Jinius (i.e as Fleksy)
- Dealers and Developer Portals will facilitate lending, bringing the Group closer to time and place of need

## Progress in 1H2025<sup>1</sup>

B2B

**c 2,700**  
registered  
companies

B2C

**232**  
retailers  
onboarded

**c. €1.1 bn**  
money exchanged via the  
platform

**c. 355 k**  
products across all  
categories



## Contribution to the Group

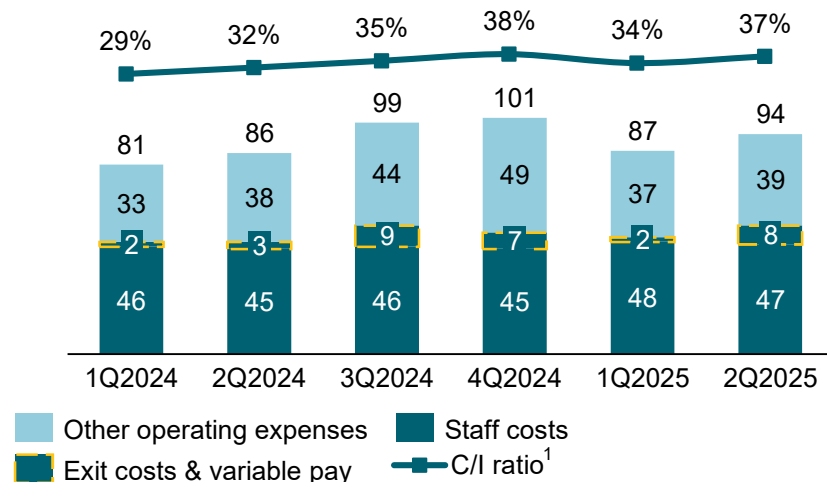
- Enables seamless access to financial products such as Fleksy, QuickLoans and Insurance products
- Non-NII generation through transaction and merchant fees
- Increased use of the Group's banking services

1) Figures as at 30 June 2025

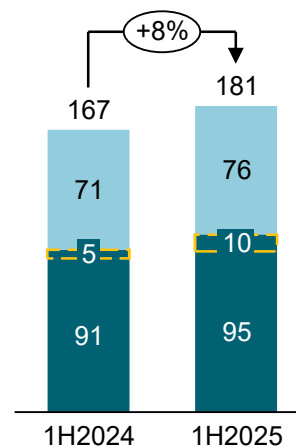
# 2Q2025 Cost to Income ratio<sup>1</sup> at 37%

Total operating expenses<sup>1</sup> up 8% yoy and 7% qoq

(€ mn)



## YoY Performance (1H2025 vs 1H2024)

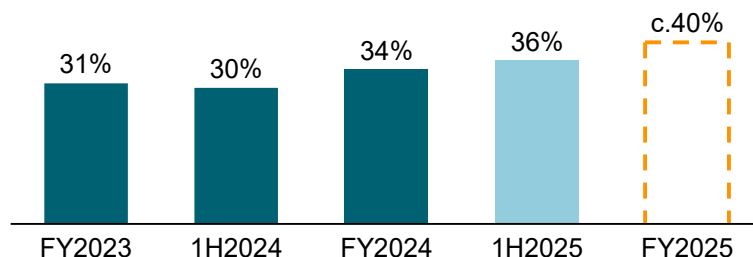


- Staff costs up 4% yoy due to salary increments and cost-of-living adjustments (COLA)
- Other operating expenses up 8% yoy, mainly due to higher IT spending and professional expenses in 1Q2025
- Other operating expenses to grow by low single digit in FY2025
- Cost to income ratio<sup>1</sup> at 36% for 1H2025, up 6 p.p. yoy, mainly reflecting lower revenues on lower interest rate environment

## QoQ Performance (2Q2025 vs 1Q2025)

- Staff costs broadly flat qoq
- Other operating expenses up 4% qoq mainly due to higher marketing fees
- Cost to income ratio<sup>1</sup> remains low at 37% for 2Q2025

## Cost to income ratio<sup>1</sup> at 36% in 1H2025



## Outlook

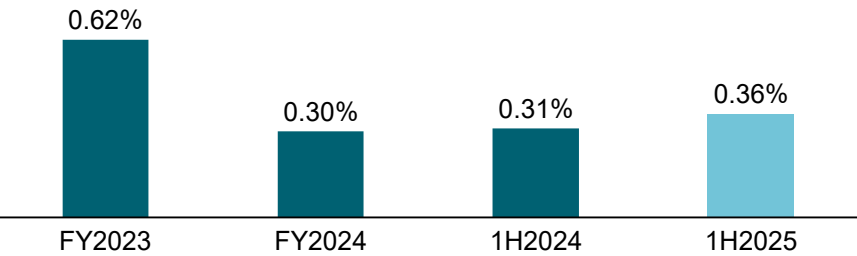
- Focus on maintaining leading efficiency ratio among European banks of c.40% in 2025, in a c.2% normalised rate environment

1) Excluding special levy on deposits and other levies/contributions

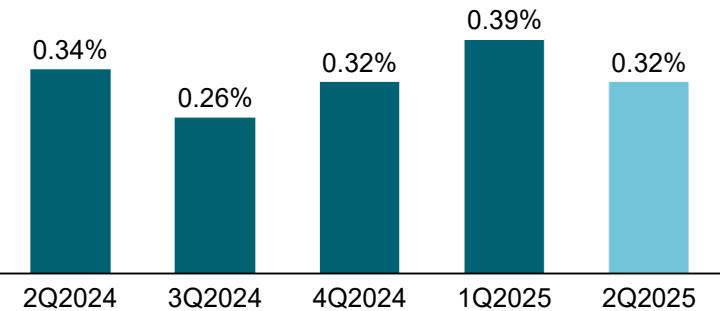


# Cost of Risk at 36 bps in 1H2025

Cost of risk



Quarterly cost of risk



Bank’s IFRS 9 macroeconomic assumptions

Base line	GDP rate	Unemployment rate
2025	2.9%	4.6%
2026	2.5%	4.5%

- Cost of risk at 32 bps (€9 mn) in 2Q2025, down 7 bps qoq, reflecting the continued strong underlying performance of the loan portfolio
- Additionally, impairments of €4 mn in 2Q2025 relate to REMU stock properties, mainly as a result of the ageing of the stock

## Outlook

- 2025 COR: towards the lower end of normalised levels of 40-50 bps

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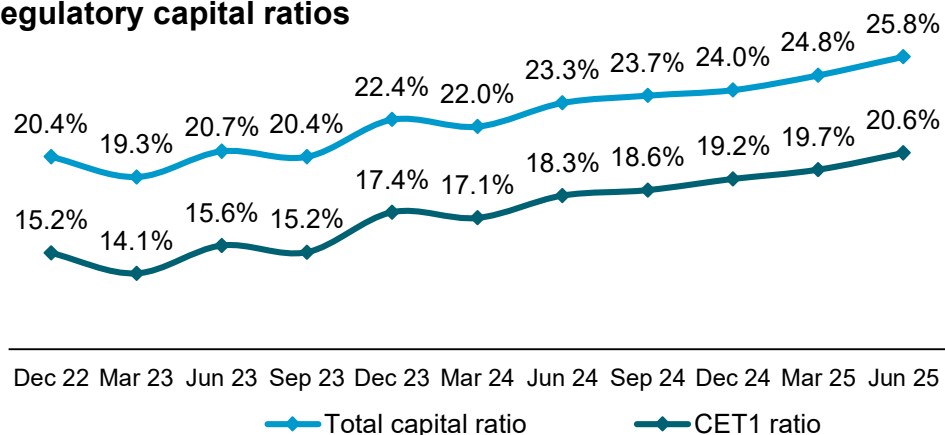
**3. Capital & Asset Quality**

**4. ESG update**

**5. Appendix**

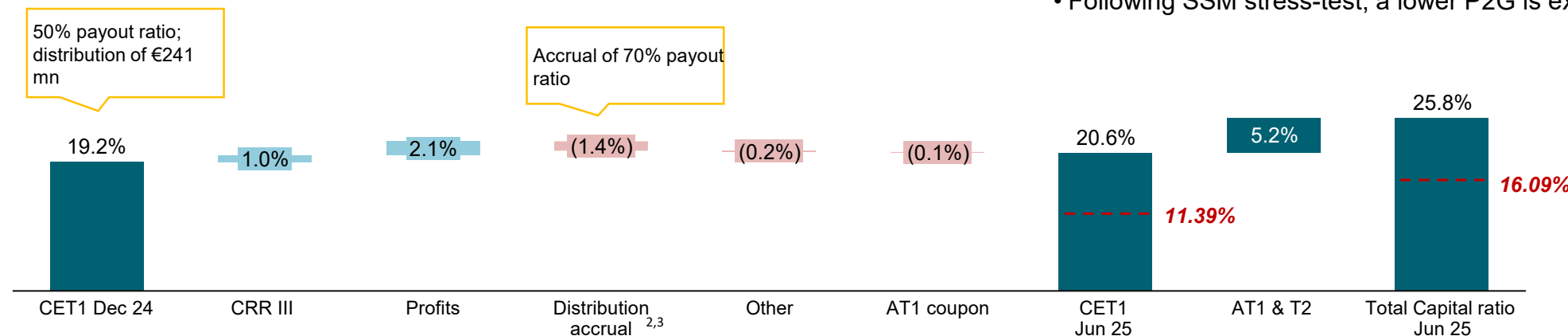
# Robust Capital Position; CET1 at 20.6%

## Regulatory capital ratios



## CET1 ratio including retained earnings

----- min OCR<sup>1</sup> requirement June 2025



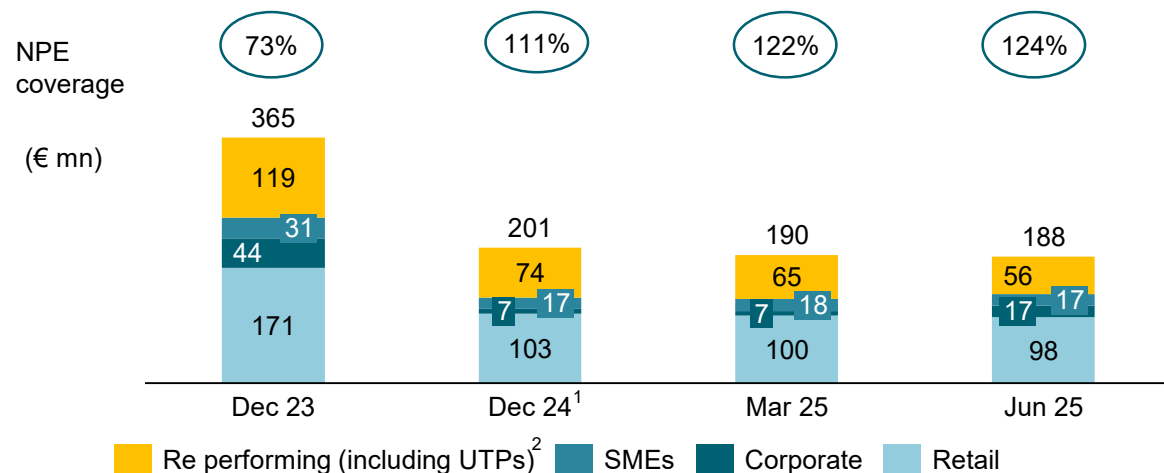
- **Regulatory CET1 ratio at 20.6%** and includes distribution accrual at the top end of distribution policy (i.e. 70% payout ratio)
- **Organic capital generation of 215 bps<sup>4</sup> in 1H2025, of which 104 bps<sup>4</sup> in 2Q2025**
- Ethniki Insurance Cyprus Ltd acquisition (refer to slide 23) negative capital impact at of c.15 bps, expected in 3Q2025
- Distribution policy at 50-70% payout ratio including cash dividends, share buybacks and interim dividends;
  - 2025 distribution planned at 70%<sup>5</sup> payout ratio
  - Initiation of interim dividend at c.40% payout ratio out of 1H2025 earnings
- P2R expected to decrease by 25 bps to 2.50%, effective from 1 Jan 2026 based on draft SREP decision
- Following SSM stress-test, a lower P2G is expected from 2026

1) Based on final SREP letter in December 2024 ; OCR - Overall Capital Requirement. For more details refer to slide 55  
 2) Including foreseeable charges

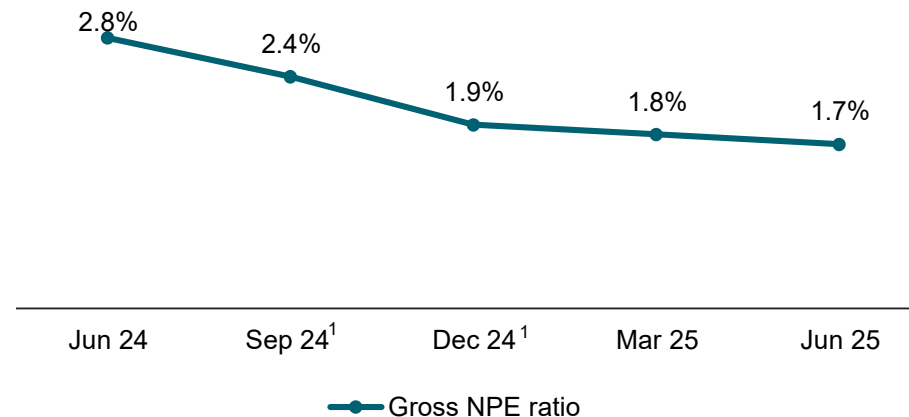
3) Distribution accrual at the top end of distribution policy in line with Commission Delegated Regulation (EU) No 241/2014 principles. The distribution accrual level does not constitute a decision by the Bank with respect to distribution payment for 2025  
 4) Pre RWA and other movements, based on profit after tax (pre-distributions) and after AT1 coupon payment (where applicable)  
 5) Subject to market conditions as well as the outcome of the Group's ongoing capital and liquidity planning strategy at the time and AGM approval

# Healthy Asset Quality: NPE Ratio at 1.7%

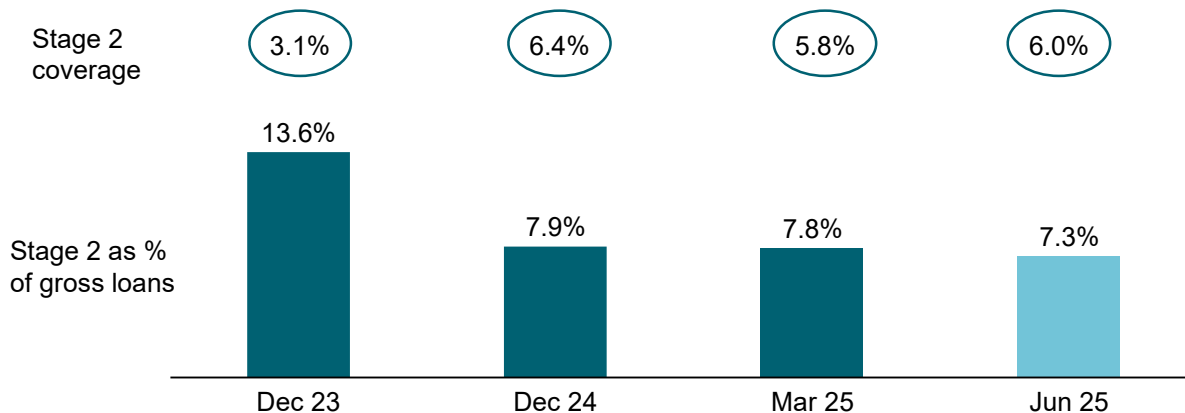
NPEs down 1% qoq to €188 mn; fully covered



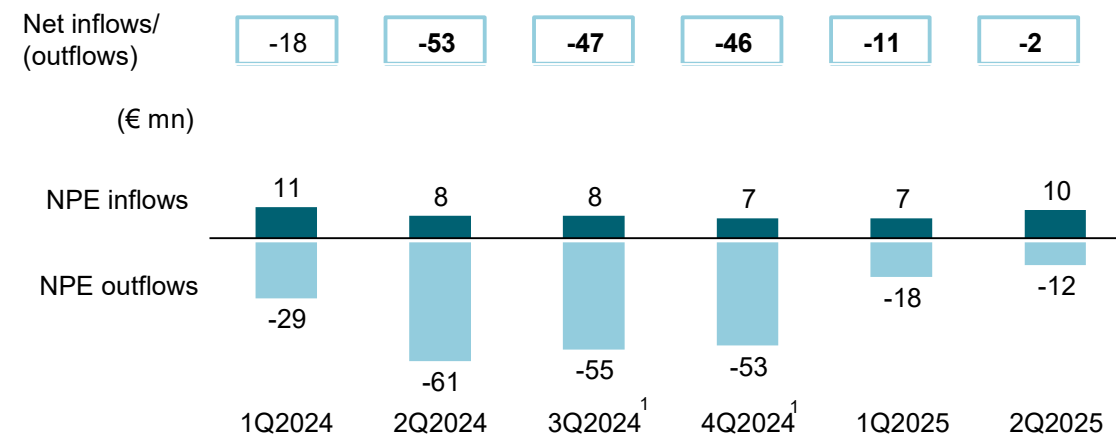
NPE ratio further reduced to 1.7%



Stage 2 loans at 7% of loan book, down 6 p.p. since Dec 2023



Drop in NPEs reflecting low inflows, curings and write-offs

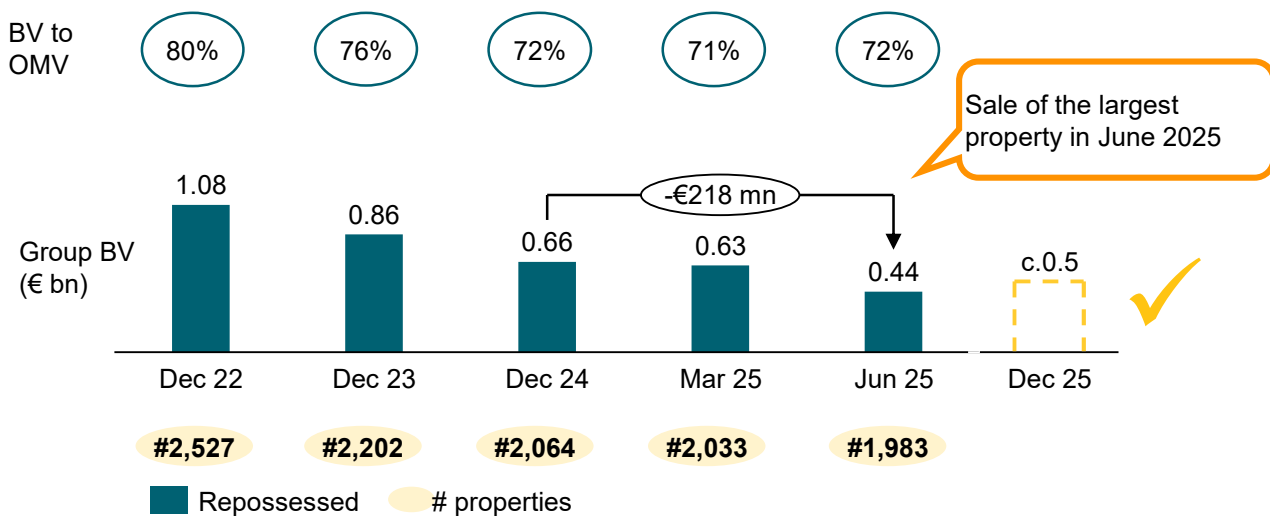


1) Pro forma for HFS; Agreement for the sale of €27 mn NPEs in 3Q2024 and c.€39 mn in 4Q2024; completed in 1Q2025

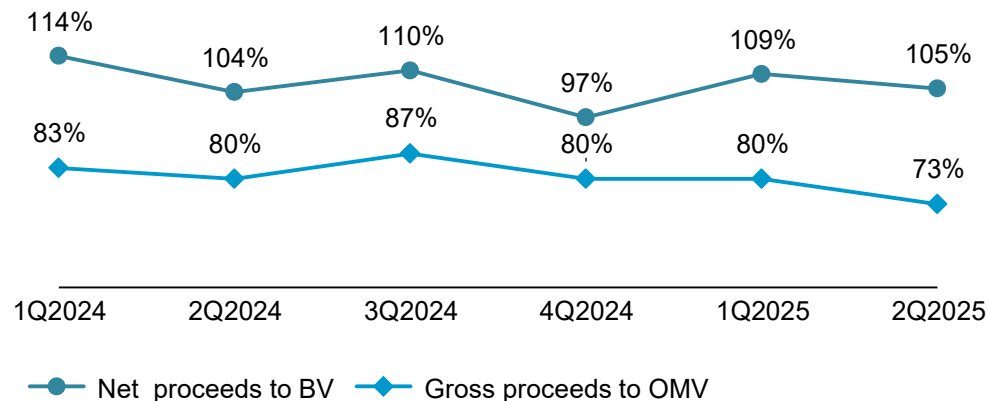
2) In pipeline to exit NPEs subject to meeting all exit criteria; the analysis is performed on a customer basis

# REMU Stock Reduced to €442 mn; 2025 Target Already Achieved

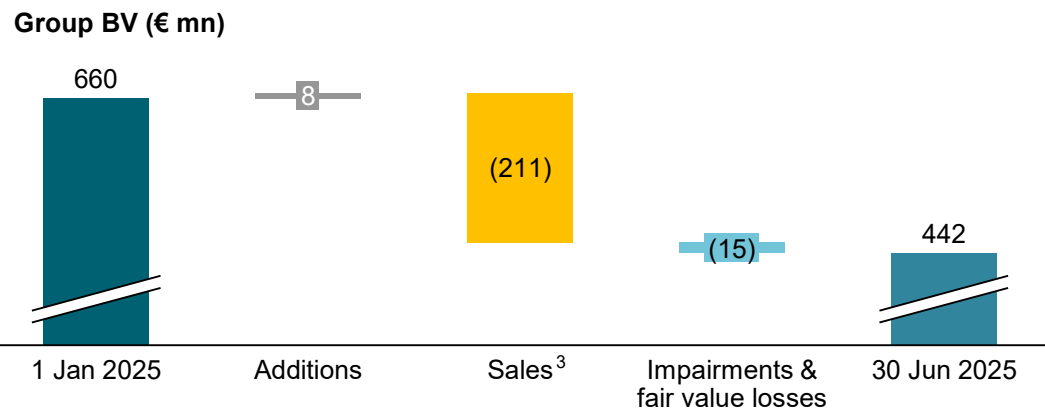
## REMU stock reduced to €442 mn in June 2025



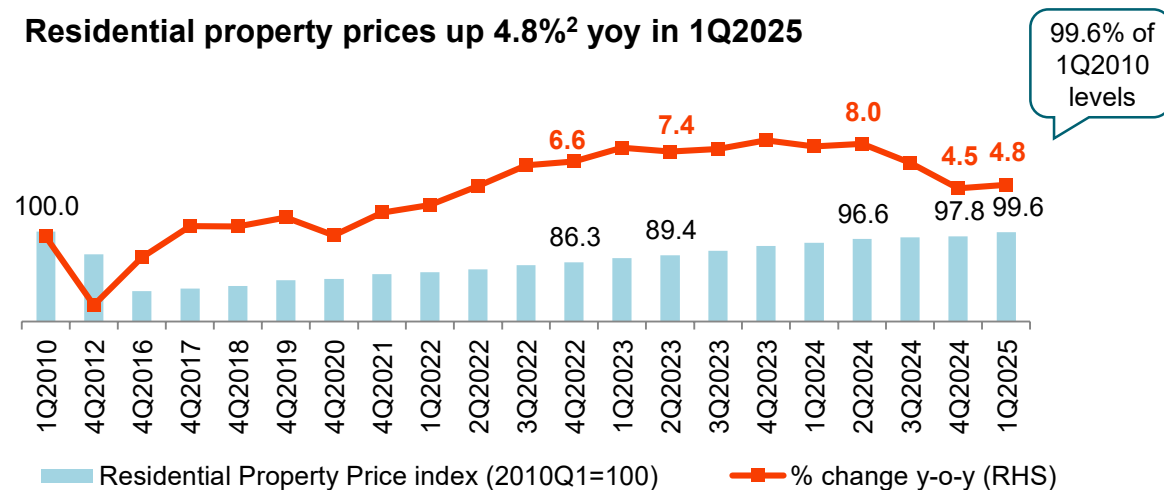
## Organic sales<sup>1</sup> consistently close to Open Market Value; comfortably above Book Value



## REMU repossessed stock at €442 mn at June 2025



## Residential property prices up 4.8%<sup>2</sup> yoy in 1Q2025



1) Amounts as per Sales Purchase Agreements (SPAs)

2) Source: Central Bank of Cyprus: Residential Property Price index report published on 2 July 2025 <https://www.centralbank.cy/en/publications/residential-property-price-indices>

3) Including transfer of c.€1 mn

# Our Priorities Going Forward

## Leveraging on BOCH's strengths

- *Leading financial Hub*
- *Strong domestic franchise*
- *Holistic offering*
- *Diversified business model*
- *Strong digital infrastructure*
- *Long lasting relationships*

## Capital and Shareholder Returns

- Provide attractive return to shareholders
- Prudent management of surplus capital, focusing on value creation

## Asset Quality

- Protect balance sheet with continuation of meticulous underwriting standards and healthy asset quality

## Growth Initiatives

- Drive new growth initiatives in banking and non-banking (eg: international loans, Jinius, Affluent)
- Manage interest rate headwinds via loan and fixed income growth

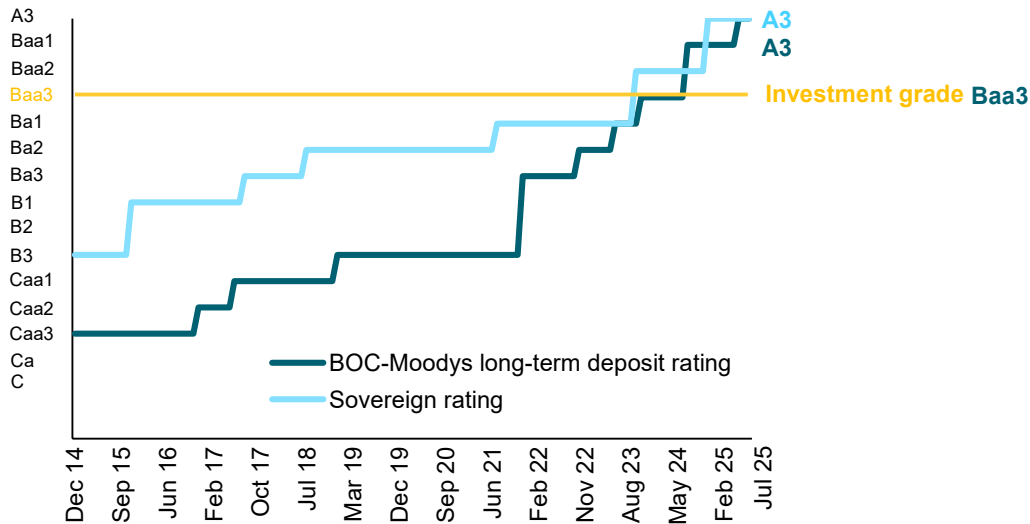
## Efficiency

- Maintain a lean operating model while investing in the business

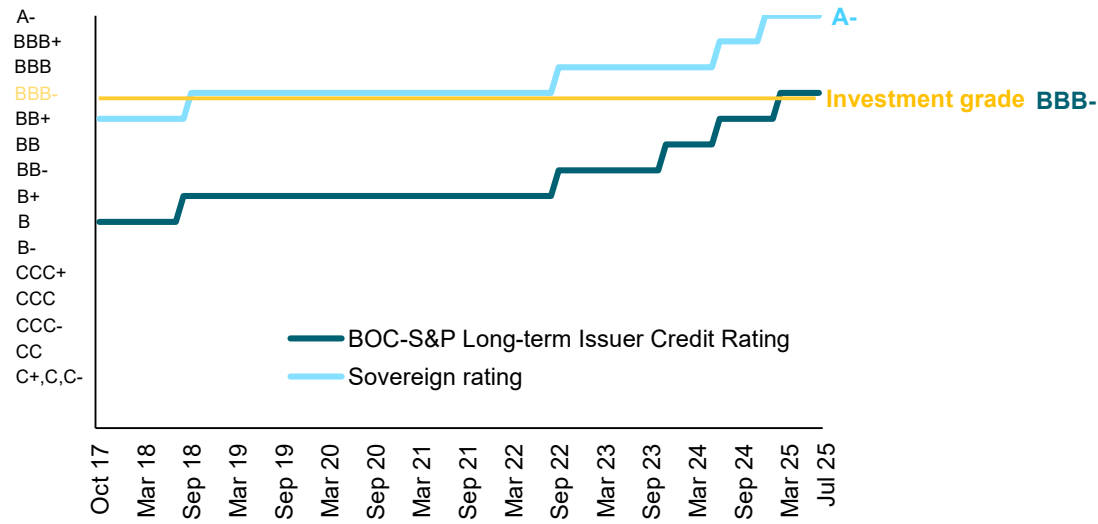


# BOC Rated at Investment Grade by all 3 Credit Rating Agencies

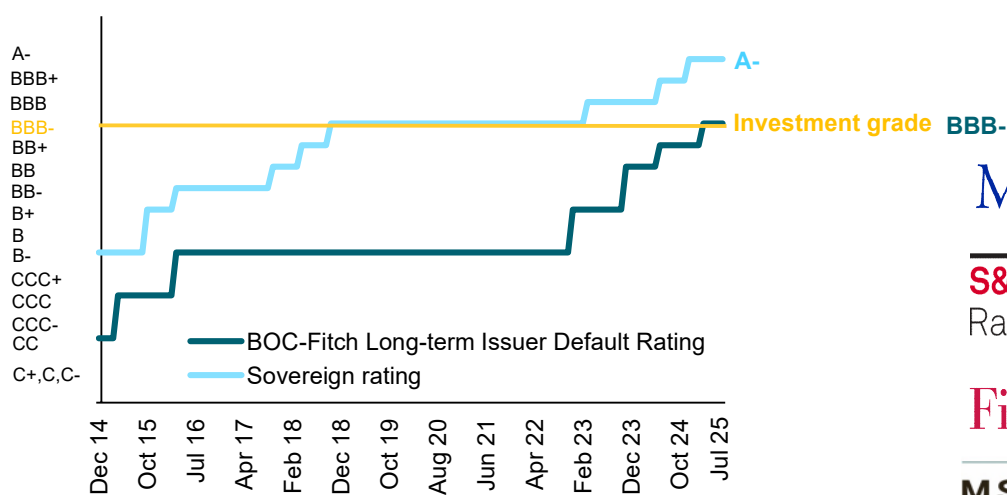
Moody's upgraded rating to A3 in May 2025; outlook stable



S&P upgraded rating to BBB- in February 2025; outlook stable



Fitch upgraded rating to BBB- in March 2025; outlook positive



MOODY'S

S&P Global Ratings

Fitch Ratings

MSCI ESG RATINGS  
AA

Bank of Cyprus

Cyprus Sovereign Credit rating	LT Deposit rating	LT Counterparty Risk Rating	LT Issuer credit rating	Outlook	Senior Unsecured Debt	Subordinate (Tier 2)
A3	A3	A3	N/A	Stable	Baa3	Ba1
A-	N/A	N/A	BBB-	Stable	BBB-	B+
A-	BBB-	N/A	N/A	Positive	N/A	N/A



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# Key Information and Contact Details

## Contacts

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Dafni Georgiou ([dafni.georgiou@bankofcyprus.com](mailto:dafni.georgiou@bankofcyprus.com))

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#### **Listing:**

ATHEX – BOCHGR, CSE – BOCH/TPKH, ISIN IE00BD5B1Y92

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# Key milestones achieved by 1H2025

## E

- Published the **allocation and impact report** for Green Bond issued in 1H2024
- **c.€418 mn** Green Housing gross loans with **EPC Category A** as of June 2025, compared to **c.€321 mn** as of December 2024
- Environmentally Friendly gross loans of **c.€453 mn** as of June 2025 compared to **c.€354 mn** as of December 2024
- Utilisation of renewable energy in own operations increased by **49%** yoy
- Scope 1 and Scope 2 GHG Emissions reduced by **19%** yoy

## S

- **11,555** training hours to **female** employees and **18,632** training hours to **male** employees in 1H2025
- **55% of diagnosed cancer** cases in **Cyprus** continue to be treated in the Bank of Cyprus **Oncology Centre**
- **10** events organised under the **“Well at Work”** wellbeing program with more than **825 employees** participating at the events in 1H2025

## G

- **33% women representation in ExCo and Senior Management in 1H2025**, early achievement of the 2030 target of at least 30% women representation in ExCo and Senior Management

## ESG

- Following the publication of the first **Sustainability Statement** under **Corporate Sustainability Reporting Directive** in accordance with the **European Sustainability Reporting Standards** (ESRS) the Group's **ESG Corporate rating** under ISS has been upgraded to **C** which is considered **Prime**.



# ESG Journey

*The ESG strategy formulated in 2021 is continuously expanding. The Group is maintaining its leading role in the Social and Governance pillars and focuses on increasing the Group's positive impacts on the Environment, by transforming not only its own operations, but also the operations of its customers*

## 2022

BOC establishes a **set of ESG targets** aimed at integrating ESG across the bank's value chain

First bank in Cyprus **joining** Partnership of Carbon Accounting Financials (PCAF) and **estimating** the Financed Scope 3 emissions on loan portfolio

**Set decarbonisation target** on GHG emissions of own operations and designed the strategy to meet the target

Established an **ESG Working plan**

## 2023

Set the first **decarbonisation target on Mortgage portfolio** aligned with International Energy Agency's Below 2 Degree Scenario

**First Bank in Cyprus to sign the Principles for Responsible Banking** representing a single framework for a sustainable banking industry under United Nations Environment Programme Finance Initiative (UNEP FI).

**Met the target of at least 30%** women representation in ExCo and Senior Management

Designed the **strategy** to meet the **decarbonisation targets** set

**Estimated** the Scope 3 GHG emissions of loan, **investment and insurance portfolio** (based on methodology availability) by applying PCAF standard and proxies

Published the first **TCFD report, Pillar 3** disclosures on ESG risks and the **sixth Sustainability report** (FY2022)

Established a structured and detailed **Business Environment Scan** process on C&E<sup>1</sup> risks

Launched **ESG questionnaires** in the loan origination

**Restricted** new lending and investment in specific **carbon-intensive sectors**

**Set and monitor** Green/Transition new lending targets

Developed a **Sustainable Finance Framework**

Launched a **Green Housing product** by applying the GLPs<sup>2</sup> of LMA<sup>3</sup>

Established thorough sustainability Governance arrangements

Performed Board of Directors, Senior Management and Control functions **ESG trainings**

**Established a holistic approach** on ESG and Climate data

## 2024

Issuance of first **Green Bond** among Cypriot banks; eligible for inclusion in Green Bond Dataset of **Climate Bond Initiative**

Performed the **Double Materiality Assessment** as required by **Corporate Sustainability Reporting Directive (CSRD)**

Established **Key Performance Indicators (KPIs)** and **Key Risk Indicators (KRIs)** for both physical and transition risks

Developed methodology to quantify transition risk for the purposes of stress-testing within the context of ICAAP

Published the second **TCFD report, Pillar 3** disclosures on ESG risks and the **seventh Sustainability report** (FY2022)

Introduced the syndicated **Synesgy** solution across the Cypriot Banking system aiming to assess customers' around ESG factors (**ESG Due Diligence process**)

Established an **Environmental & Social (E&S) policy** and associated procedures which aim to manage any potential negative impacts that any of its activities might have to the environment

Developed strategy and established **sustainable lending** practices to incorporate ESG and climate risks in the **lending pricing**.

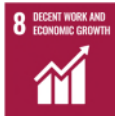



Performed Board of Directors, Senior Management and Control functions **ESG trainings**

**Set and monitor** Green/Transition new lending targets



- 1) Climate related and environmental
- 2) Green Loan Principles
- 3) Loan Market Association

# Delivering on our ESG Commitments

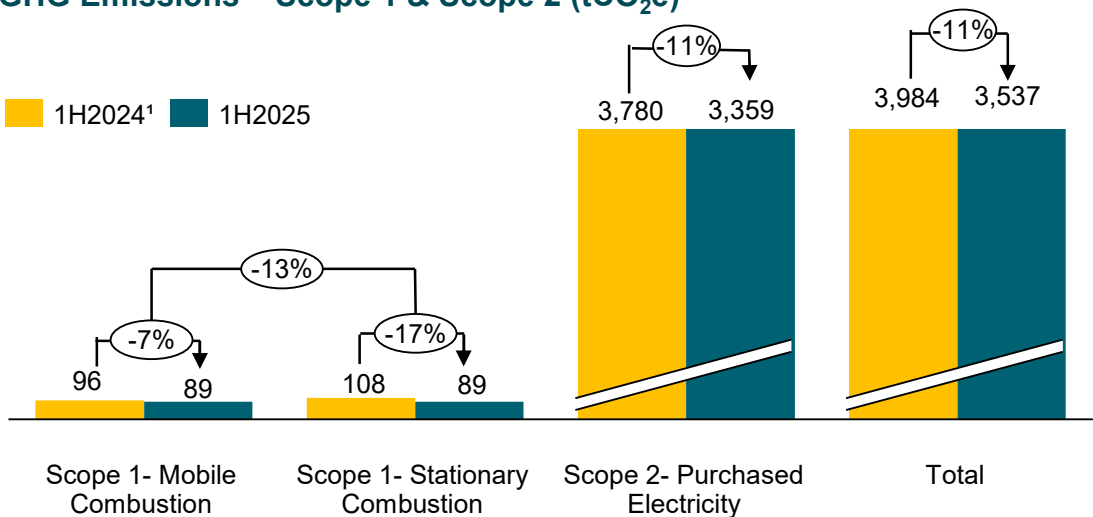
Stakeholder	ESG Priorities in 2025	SDG
Investors	<ul style="list-style-type: none"> <li>• Set additional decarbonisation targets on loan and investment portfolios based on methodologies and data available</li> <li>• Enhance ESG disclosures to ensure transparency against the ESG performance by publishing the second Corporate Sustainability Reporting Directive (CSRD) report for FY2025</li> <li>• Publish the first PRB Self-Assessment &amp; Progress Report</li> <li>• Monitor the impact of climate-related and environmental risks on its business environment</li> <li>• Design a comprehensive climate change mitigation transition plan</li> </ul>	      
Regulatory	<ul style="list-style-type: none"> <li>• Continue implementation of 'ECB Guide' on Climate related and Environmental risks (C&amp;E)</li> <li>• Expand further the key risk indicators on material C&amp;E risks</li> <li>• Improve the quality of ESG data, through the continued update and implementation of the ESG Data Strategy</li> <li>• Narrow gaps identified as part of the Corporate Sustainability Reporting Directive (CSRD) implementation</li> </ul>	
Customers & Markets	<ul style="list-style-type: none"> <li>• Continue enhancement of environmentally friendly product offerings</li> <li>• Monitor performance against Green new lending metrics</li> <li>• Provide a high-level transition action plan to customers following the completion of ESG questionnaires</li> </ul>	

# Delivering on our ESG Commitments

**Climate Change – Target 1:** Reducing Scope 1 & Scope 2 GHG emissions by 42% by 2030 compared to 2021 baseline

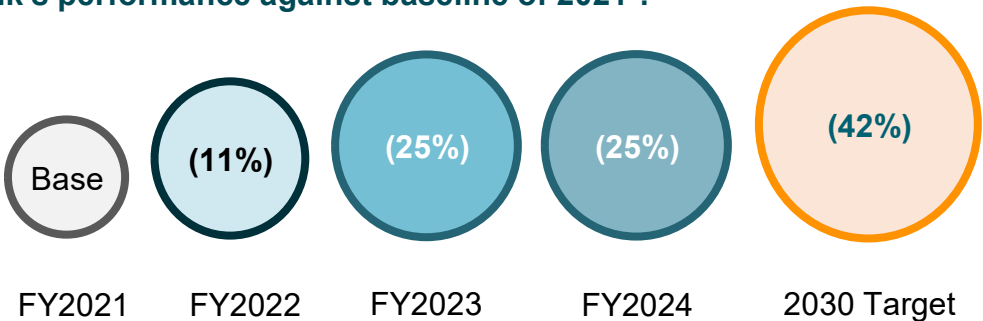
- c. 11% decrease in Scope 1 and Scope 2 GHG emissions in 1H2025

GHG Emissions – Scope 1 & Scope 2 (tCO<sub>2</sub>e)



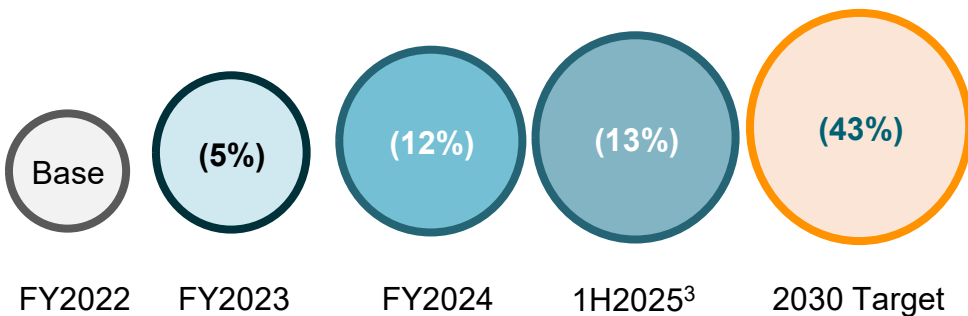
- 13% reduction of Scope 1 due to energy efficiency measures implemented in late 2024 (i.e replacement of internal combustion engine vehicles with electric vehicles)
- 11% reduction of Scope 2 due to branch rationalization as part of the digitalisation journey, closedown of branches for renovation and installation of new solar panels during 2024 and 1Q2025.

Bank’s performance against baseline of 2021<sup>2</sup>:



**Climate Change - Target 2:** Reduce by 43% the kilograms of GHG emissions financed per square metre (kgCO<sub>2</sub>e/m<sup>2</sup>) under the Mortgage portfolio, by 2030 compared to 2022 baseline

Bank’s performance against baseline of 2022:



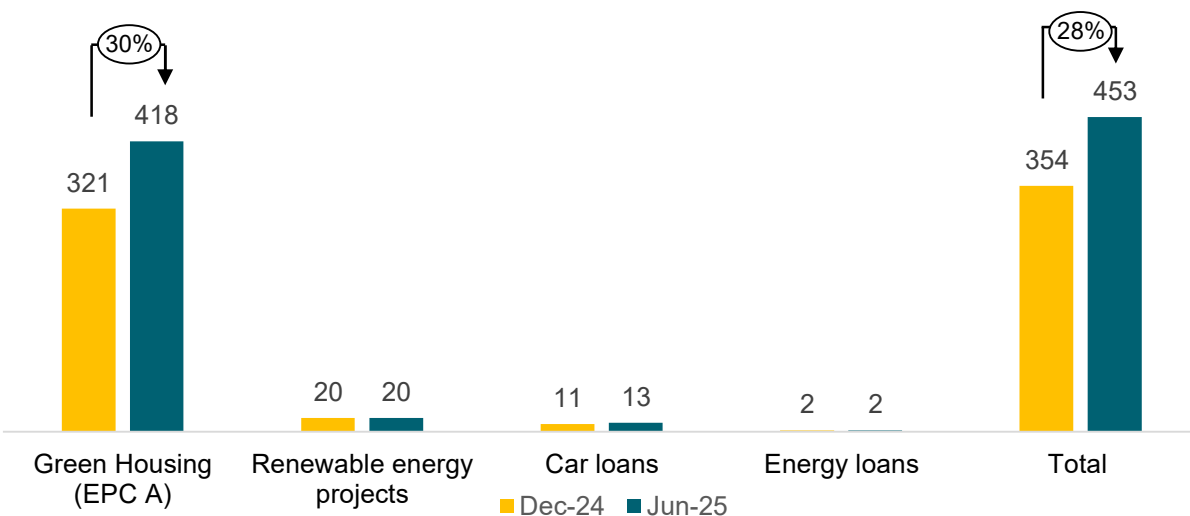
The new lending strategy to achieve the decarbonisation target set has been designed and focuses on financing more energy efficient residential properties. The launch of Green Housing<sup>4</sup> product drives the feasibility of the decarbonisation target

1) Comparative figures restated due to updated emission factors from electricity authority of Cyprus as well as exclusion of Jinius (100% Group Subsidiary) building which was reported under BOC PCL in previous reports.  
 2) The performance of Carbon Neutrality target is compared on yearly basis.  
 3) The carbon intensity indicator is estimated on a six-monthly basis.  
 4) Green Housing product is aligned with Green Loan Principles (GLP) of Loan Market Association (LMA).

# Delivering on our ESG Commitments

## Climate Change: Increase portfolio of environmentally friendly loans

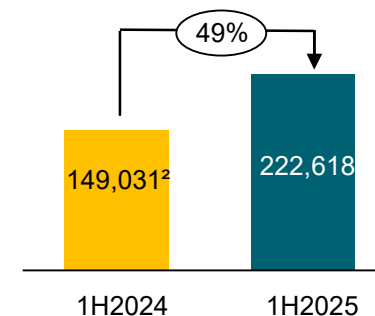
Gross loans (€ mn)



- In 2024, the Bank launched a new Fixed Green Housing product aligned with the Green Loan Principles (GLPs) of the Loan Market Association (LMA), marking a significant addition to the Bank's environmentally friendly portfolio
- The Bank has a pool of €418 mn gross loans as at 30 June 2025 financing the acquisition or construction of a residential property with EPC A<sup>1</sup>

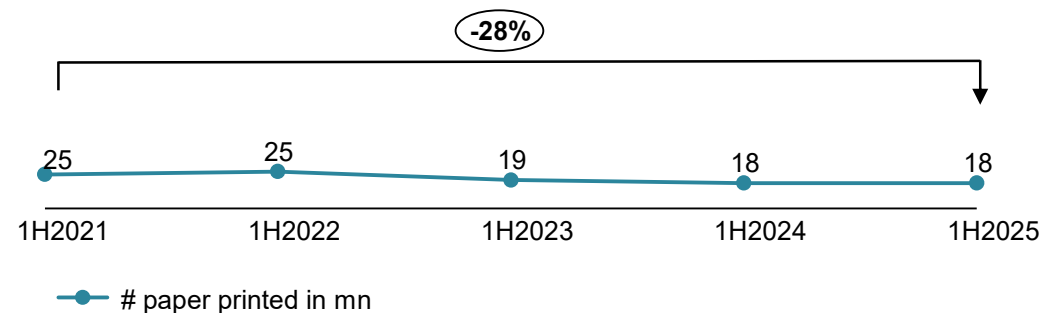
## Climate Change: Increase utilisation of renewable energy in own operations

Renewable energy (kWh)



- **c.49%** increase in renewable energy utilisation in 1H2025

## Climate Change: Reduce paper consumption



- **c.2%** yoy reduction in paper consumption in 1H2025
- Overall, **28%** reduction in paper consumption since 1H2021

1) The EPC is available at collateral level in the Group's database therefore the one to one (one account number one collateral property with EPC A) assumption has been applied to identify the Green Housing loans.

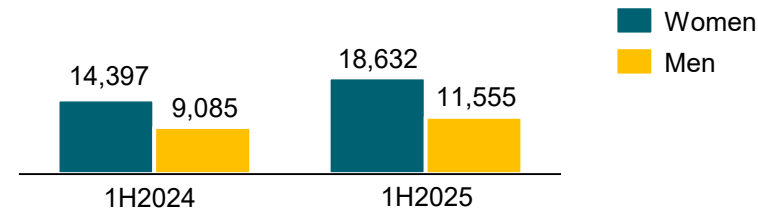
2) Comparative figures have been restated to exclude renewable energy of Jinius (100% Group Subsidiary) building which was reported under BOC PCL in previous reports.



# Delivering on our ESG Commitments

**Learning & Development:** Provide upskilling/reskilling employee opportunities

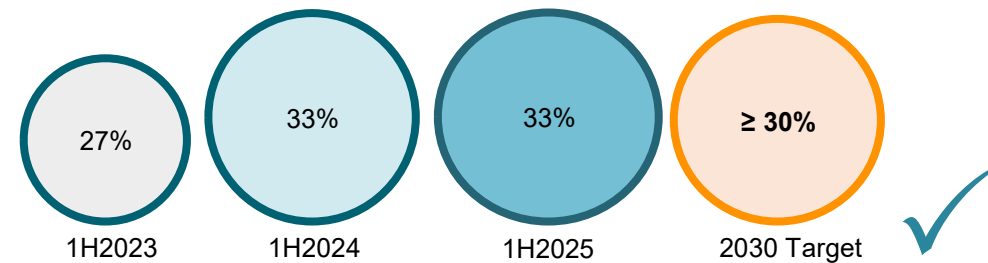
Training Attendance (hours)



- Trainings attended cover variety of topics including Business Conduct and Compliance topics in accordance with the Bank’s Corporate Governance Policy and Framework

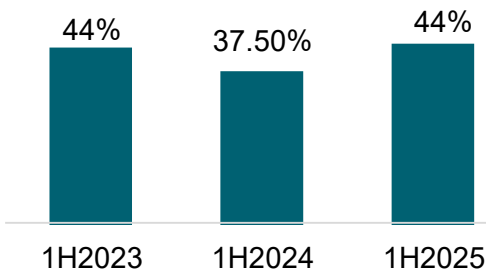
**Financial Inclusion and Resilience:** Facilitate financial technology solutions and promote digital transformation

**Gender Diversity:** At least 30% women in ExCo and Senior Management by 2030



## Board’s Gender Diversity

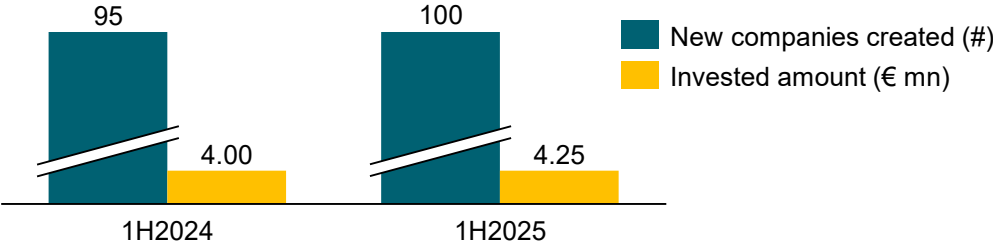
Female representation on the Board of Directors



# Corporate Social Responsibility (CSR)

## IDEA<sup>1</sup> Innovation Center

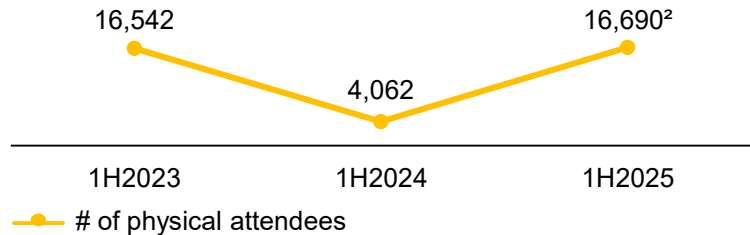
The IDEA Innovation Center (since incorporation)



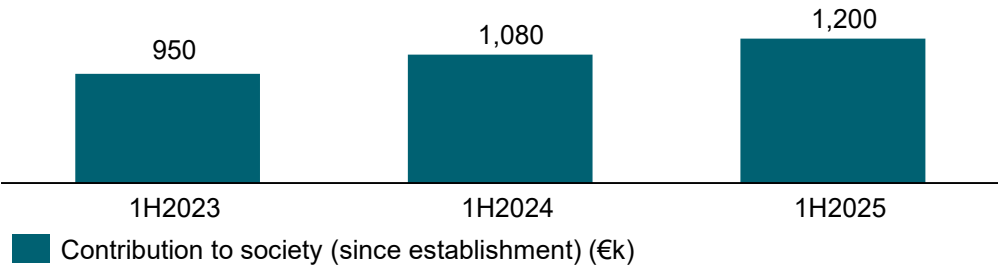
IDEA provided support to 260+ entrepreneurs through its Startup Program since incorporation and helped to create more than 120 new jobs in the Cypriot Economy

**BOC Cultural Foundation:** The Foundation’s main strategic aim is to encourage the research and study of Cypriot civilisation in the fields of archaeology, history, art and literature as well as to preserve and disseminate the cultural and natural heritage of Cyprus, with a particular emphasis on the international promotion of the island’s centuries-long Greek civilisation, through various activities and actions.

Bank of Cyprus Cultural Foundation activities



**SupportCy Network:** Maintain leadership and continue playing an active and positive role in the community



**BOC Oncology Centre:** Contribute and support cancer patients and their families through the Bank of Cyprus Oncology Centre

- Cumulative investment of more than c.€70 mn from 1998 to June 2025
- 55% of diagnosed cancer cases in Cyprus are being treated at the Centre

## Wellbeing program “Well at Work”

### 10 events organised:

- Mental Health: 4
- Physical Health: 2
- Financial Health: 1
- Team Building: 3

~825 employees participated

## Education

Donations, Scholarships and Awards to University students and Foundations, contributing to the enhancement of Society education and awareness level

1) IDEA Innovation Centre is the largest non-profit incubator-accelerator for start-ups and an entrepreneurship hub for Cypriot young entrepreneurs, founded by Bank of Cyprus and other Partners  
2) Number of physical attendees increased significantly due to the launch of the new exhibition ‘Cyprus Insula’ in July 2024, ending in June 2026.

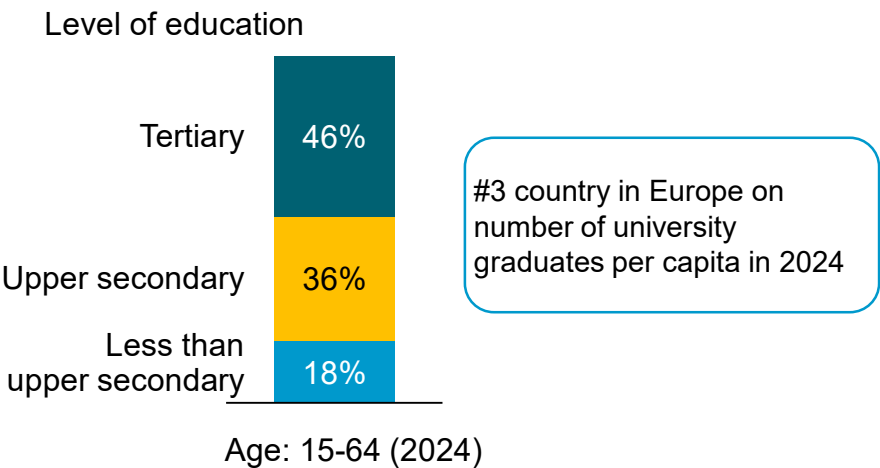
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## **Appendix**

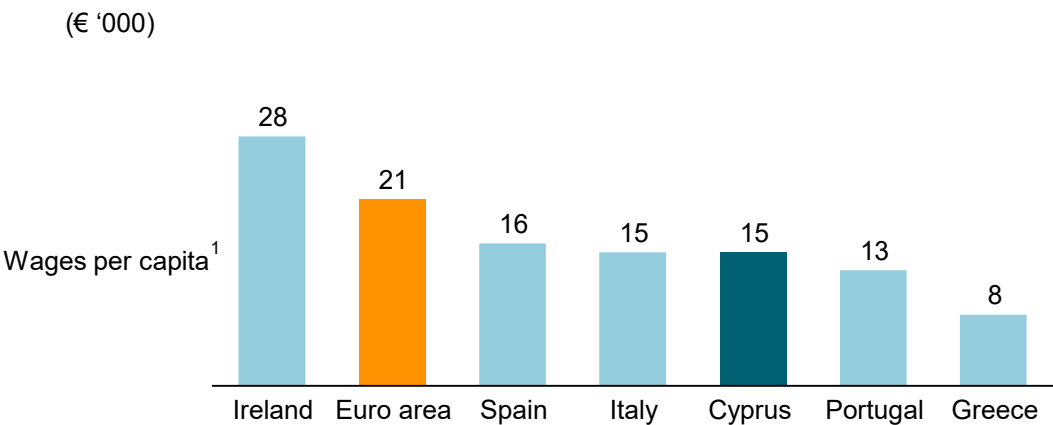
### Macroeconomic overview

# Cyprus is a Growing Business and Tech Hub in the Region

## Well educated, highly skilled labour force



## Labour costs significantly below the average Euro area



## Cyprus as an attractive business hub...

- Cyprus is the eastern gateway to the European Union and a safe, stable and business friendly hub for the region
- #3 largest party Ship Management centre in the EU
- >2,300 companies registered in Cyprus since March 2022 with a large number operating in the technology industry
  - c.27,000 work permits granted (c.5% of labour force<sup>2</sup>)
  - Access to tech-savvy EU talent pool
  - Labour cost for tech talents below Euro area average

Source: Eurostat

1) Data for population is as at 31 March 2025. Data for wages refer to FY2024

2) Data for labour force is as at 31 March 2025 (Labour force age 15-64)

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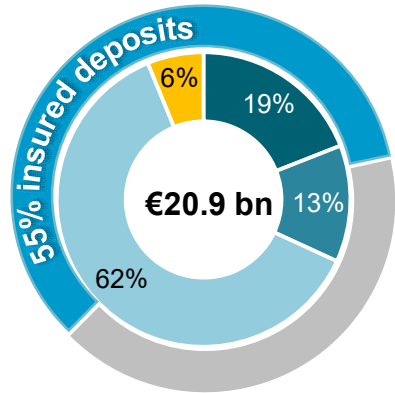
## **Appendix**

### Additional financial information

# Robust Liquidity Position; Significant Surplus Liquidity of €8.1 bn

## Diversified, mainly retail funded deposit base

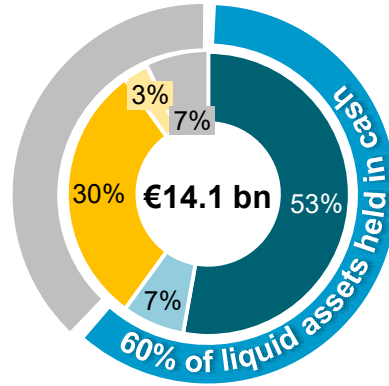
Group deposits



■ SMEs  
■ Retail  
■ Corporate  
■ IBU

## Highly liquid balance sheet

Liquid assets



■ Cash balances with Central banks  
■ Placements with Banks  
■ Amortised cost bonds  
■ FVOCI bonds  
■ Reverse repos

### • Sticky deposit base

- 55% insured deposits
- 62% Retail
- Average size of Retail deposits: c.€30k

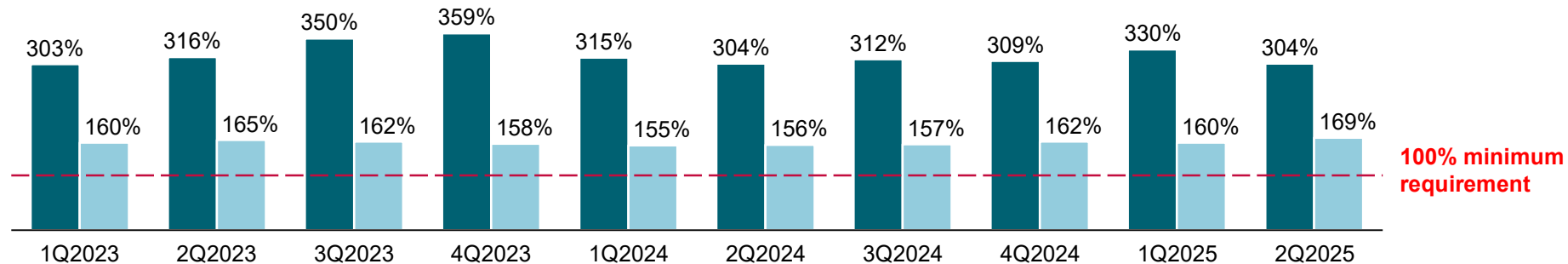
### • Strong liquidity ratios

- LCR ratio of 304% and surplus liquidity of €8.1 bn
- Cash, balances with central Banks of €7.4 bn

### • Highly rated fixed income portfolio

- Majority of positions in FVOCI book hedged for interest rate risk
- Amortised cost portfolio with high average rating of Aa2 (refer to slide 19)

## Liquidity ratios significantly above minimum requirements



■ LCR  
■ NSFR

# Analysis of Deposits

## Deposits by Type (€ bn)

Type	Jun 24	Dec 24	Mar 25	Jun 25
Current, Demand & Savings	13.29	13.83	13.87	14.57
Time & Notice	6.43	6.69	6.83	6.33
<b>Total</b>	<b>19.72</b>	<b>20.52</b>	<b>20.70</b>	<b>20.90</b>

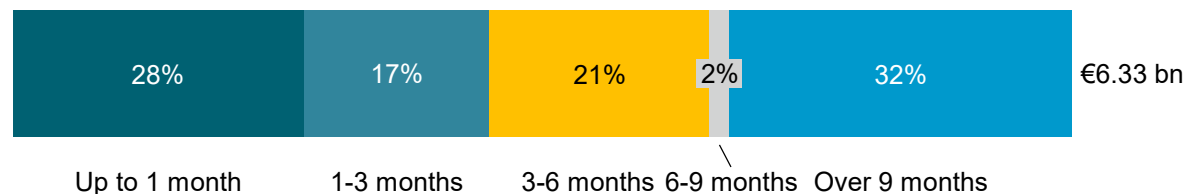
## Deposits by Customer Sector (€ bn)

Sector	Jun 24	Dec 24	Mar 25	Jun 25
Retail	12.40	12.61	12.68	12.98
SME	1.08	1.16	1.16	1.26
International Corporate	0.14	0.17	0.21	0.26
International Business Unit	3.74	4.14	4.04	3.95
Corporate	2.36	2.44	2.61	2.45
<b>Total</b>	<b>19.72</b>	<b>20.52</b>	<b>20.70</b>	<b>20.90</b>

## Deposits by Currency (€ bn)

Currency	Jun 24	Dec 24	Mar 25	Jun 25
EUR	17.92	18.56	18.82	19.13
USD	1.44	1.59	1.51	1.41
GBP	0.30	0.31	0.31	0.30
Other Currencies	0.06	0.06	0.06	0.06
<b>Total</b>	<b>19.72</b>	<b>20.52</b>	<b>20.70</b>	<b>20.90</b>

## Time & Notice deposits by maturity



2% of Time and Notice deposits with maturity >12 months

## Deposit sensitivities

- $\pm 1$  p.p. in Time and Notice deposit mix:  $\pm$  c.€2 mn p.a.<sup>1</sup>
- $\pm 10$  bps in total cost of deposits:  $\pm$  c.€21 mn p.a.<sup>2</sup>

1) Calculation assuming that the cost of deposit remains unchanged  
 2) Calculation assuming that deposits balance and mix remain unchanged



# Income Statement

€ mn	1H2025	1H2024	yoy%	2Q2025	1Q2025	qoq%
Net Interest Income	368	420	-12%	182	186	-2%
Net fee and commission income	88	86	2%	44	44	1%
Net foreign exchange gains and net gains on financial instruments	18	13	33%	9	9	-2%
Net insurance result	24	23	7%	12	12	6%
Net gains from revaluation and disposal of investment properties and on disposal of stock of properties	5	2	342%	4	1	166%
Other income	6	5	6%	3	3	-5%
<b>Total income</b>	<b>509</b>	<b>549</b>	<b>-7%</b>	<b>254</b>	<b>255</b>	<b>0%</b>
Staff costs	(105)	(96)	9%	(55)	(50)	10%
Other operating expenses	(76)	(71)	8%	(39)	(37)	4%
Special levy on deposits and other levies/contributions	(16)	(19)	-17%	(8)	(8)	1%
<b>Total expenses</b>	<b>(197)</b>	<b>(186)</b>	<b>6%</b>	<b>(102)</b>	<b>(95)</b>	<b>7%</b>
<b>Operating profit</b>	<b>312</b>	<b>363</b>	<b>-14%</b>	<b>152</b>	<b>160</b>	<b>-4%</b>
Loan credit losses	(19)	(16)	21%	(9)	(10)	-15%
Impairments of other financial and non-financial assets	(14)	(25)	-43%	(4)	(10)	-57%
Provisions for pending litigation, claims, regulatory and other matters (net of reversals)	(1)	(3)	-47%	1	(2)	-114%
<b>Total loan credit losses, impairments and provisions</b>	<b>(34)</b>	<b>(44)</b>	<b>-20%</b>	<b>(12)</b>	<b>(22)</b>	<b>-41%</b>
<b>Profit before tax and non-recurring items</b>	<b>278</b>	<b>319</b>	<b>-13%</b>	<b>140</b>	<b>138</b>	<b>2%</b>
Tax	(42)	(48)	-13%	(22)	(20)	9%
Profit attributable to non-controlling interests	(1)	(1)	10%	0	(1)	-44%
<b>Profit after tax and before non-recurring items (attributable to the owners of the Company)</b>	<b>235</b>	<b>270</b>	<b>-13%</b>	<b>118</b>	<b>117</b>	<b>1%</b>
Advisory and other transformation costs – organic	-	-	-	-	-	-
<b>Profit after tax (attributable to the owners of the Company)</b>	<b>235</b>	<b>270</b>	<b>-13%</b>	<b>118</b>	<b>117</b>	<b>1%</b>

In July 2025, the Group received notification that the Management Committee of the Deposit Guarantee Fund resolved to increase the target level of covered deposits from 0.8% to 1.25%; contributions will be required on a semi-annual basis from authorised institutions to reach the target level over a period of 5 years (i.e. by June 2030) starting from 2H2025

# Consolidated Balance Sheet

Assets (€ mn)	30.06.2025	31.12.2024	% change
Cash and balances with central banks	7,401	7,601	-3%
Loans and advances to banks	1,005	821	22%
Reverse repurchase agreements	1,015	1,010	0%
Debt securities, treasury bills and equity investments	4,832	4,358	11%
Net loans and advances to customers	10,578	10,114	5%
Stock of property	433	649	-33%
Investment properties	33	36	-9%
Other assets	1,807	1,872	-3%
Non-current assets and disposal groups held for sale	-	23	-100%
<b>Total assets</b>	<b>27,104</b>	<b>26,484</b>	<b>2%</b>

- As at 30 June 2025 there were 440,828,633 issued ordinary shares

Liability and Equity (€ mn)	30.06.2025	31.12.2024	% change
Deposits by banks	502	364	38%
Customer deposits	20,903	20,519	2%
Debt securities in issue	992	989	0%
Subordinated liabilities	316	307	3%
Other liabilities	1,576	1,475	7%
<b>Total liabilities</b>	<b>24,289</b>	<b>23,654</b>	<b>3%</b>
<b>Shareholders' equity</b>	<b>2,574</b>	<b>2,590</b>	<b>-1%</b>
Other equity instruments	220	220	-
<b>Total equity excluding non-controlling interests</b>	<b>2,794</b>	<b>2,810</b>	<b>-1%</b>
Non-controlling interests	21	20	6%
<b>Total equity</b>	<b>2,815</b>	<b>2,830</b>	<b>-1%</b>
<b>Total liabilities and equity</b>	<b>27,104</b>	<b>26,484</b>	<b>2%</b>

# ROTE on 15% CET1 Ratio

## TBV adjusted for excess CET1 capital on a 15% CET1 ratio

€ mn	Jun 25	Mar 25	Dec 24
Shareholders' equity	2,574	2,700	2,590
- Intangible assets	(47)	(47)	(50)
- Distribution	(155) <sup>1</sup>	(314) <sup>2</sup>	(241) <sup>3</sup>
- Excess CET1 capital on a 15% CET1 ratio	(580)	(519)	(450)
<b>= TBV adjusted for excess CET1 capital on a 15% CET1 ratio</b>	<b>1,792</b>	<b>1,820</b>	<b>1,849</b>
<b>Average TBV for excess CET1 capital on a 15% CET1 ratio</b>	<b>1,820</b>	<b>1,835</b>	<b>1,839</b>

## ROTE on 15% CET1

€ mn	Jun 25	Mar 25	Dec 24
PAT annualised	473	474	508
Average TBV adjusted for excess CET1 capital on a 15% CET1 ratio	1,820	1,835	1,839
<b>= ROTE on 15% CET1</b>	<b>26.0%</b>	<b>25.9%</b>	<b>27.6%</b>

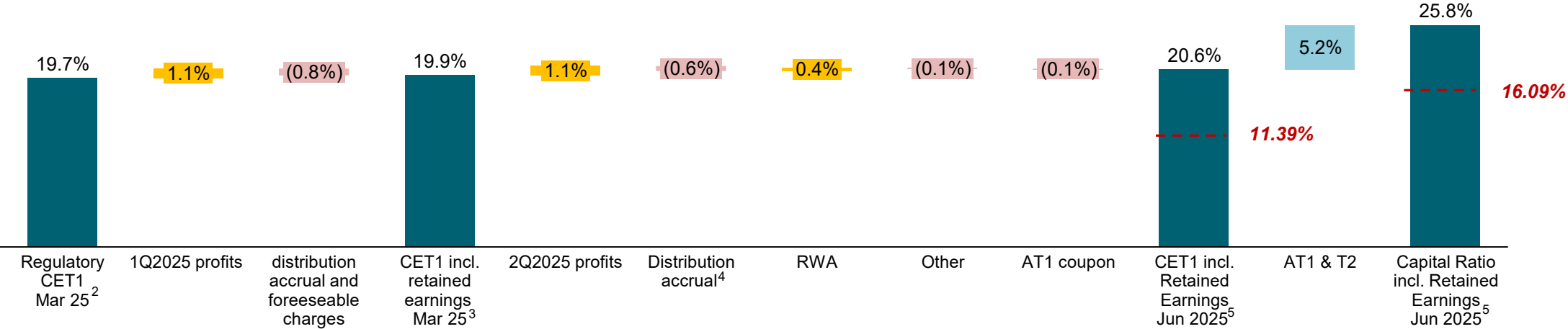
1) Distribution accrual at the top end of distribution policy (i.e. 70% payout ratio) on 1H2025 Adjusted Recurring Profitability

2) Includes the proposed cash dividend and the amount relating to the approved share buyback of €30mn not yet executed as at period end in relation to the FY2024 (completed in June 2025) and distribution accrual at the top end of distribution policy (i.e. 70% payout ratio) on 1Q2025 Adjusted Recurring Profitability

3) For December 2024 the full amount of the proposed FY2024 distribution is adjusted

# Capital Position; Quarterly Evolution

----- min OCR<sup>1</sup> requirement for June 2025



1) OCR - Overall Capital Requirement (refer to slide 55 )  
2) Does not include profits for the three months ended 31 March 2025  
3) Including unaudited/unreviewed profits for 1Q2025 and a distribution accrual thereon at the top end of the Group's distribution policy  
4) Including foreseeable charges  
5) Including reviewed profits for 2Q2025 in line with the ECB Decision (EU) (2015/656) on the recognition of interim or year-end profits in CET1 capital in accordance with Article 26(2) of the CRR and a distribution accrual thereon at the top end of the Group's distribution policy

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# Risk Weighted Assets– Regulatory Capital

## Risk Weighted Assets by Geography

€ mn	31.12.23	31.12.24	31.03.25	30.06.25
Cyprus	10,297	10,810	10,454	10,261
Overseas	44	24	41	39
<b>RWAs</b>	<b>10,341</b>	<b>10,834</b>	<b>10,495</b>	<b>10,300</b>
<b>RWA intensity</b>	<b>39%</b>	<b>41%</b>	<b>39%</b>	<b>38%</b>

## Risk Weighted Assets by type of risk

€ mn	31.12.23	31.12.24	31.03.25	30.06.25
Credit risk	9,013	9,172	9,256	9,061
Market risk	-	-	-	-
Operational risk	1,328	1,662	1,239	1,239
<b>Total</b>	<b>10,341</b>	<b>10,834</b>	<b>10,495</b>	<b>10,300</b>

- 1) Includes distribution accrual for the six months ended 30 June 2025 at the top end of the Group's distribution policy and other prudential adjustments, as described in Section 'B.2.1 Capital Base' of press release
- 2) Including reviewed profits for the six months ended 30 June 2025, and a distribution accrual thereon at the top end of the Group's distribution policy
- 3) The distribution accrual level does not constitute a decision by the Bank with respect to distribution payment for 2025
- 4) Including unaudited/unreviewed profits for 1Q2025 and a distribution accrual thereon at the top end of the Group's distribution policy

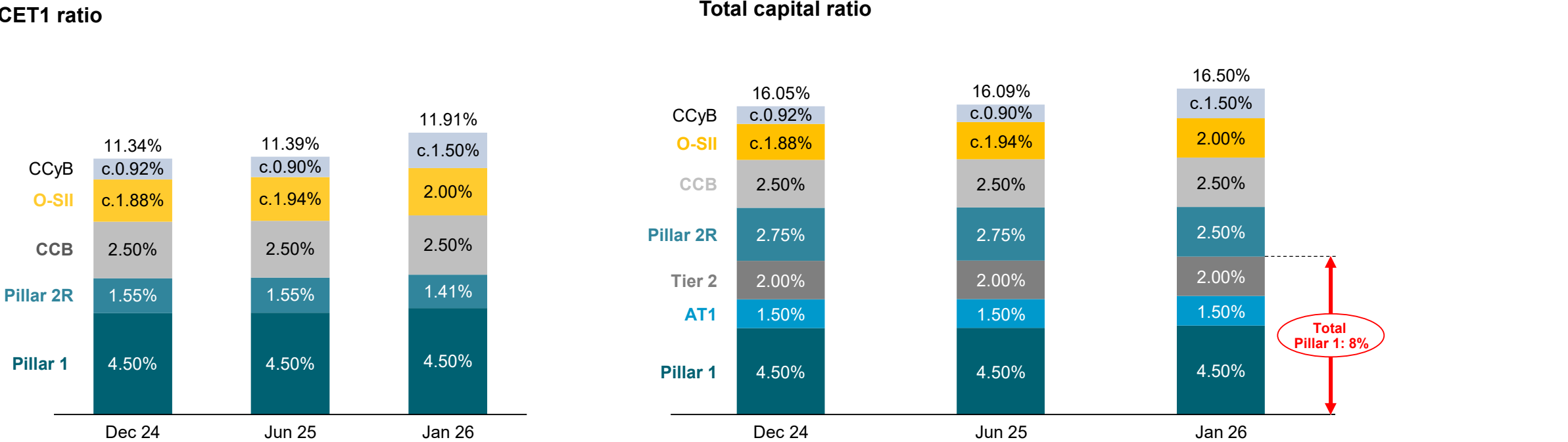
## Reconciliation of Group Equity to CET1

€ mn	30.06.25
Shareholder's equity	2,574
Less: Intangibles	(21)
Less: Deconsolidation of insurance entities and other entities	(154)
Less: Regulatory adjustments	(274) <sup>1</sup>
<b>CET1</b>	<b>2,124</b>
<b>Risk Weighted Assets</b>	<b>10,300</b>
<b>CET1 ratio</b>	<b>20.6%<sup>2,3</sup></b>
<b>CET1 ratio fully loaded</b>	<b>20.3%<sup>2,3</sup></b>

## Regulatory Capital (€ mn)

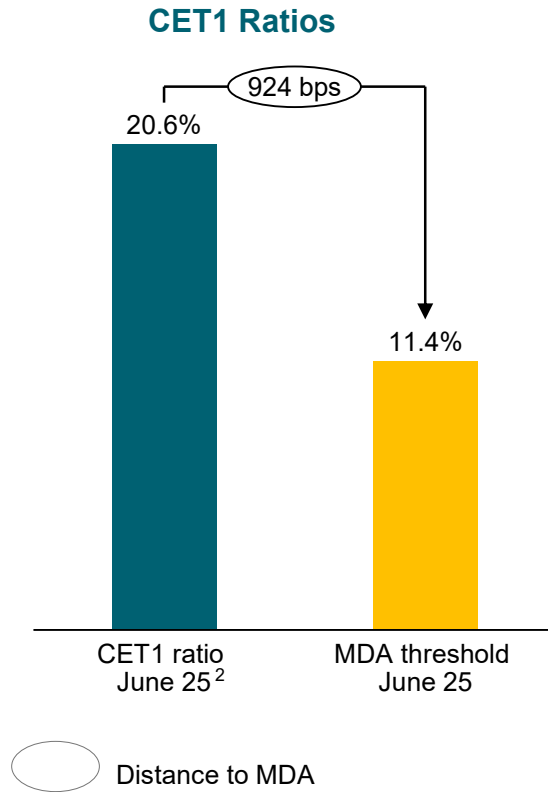
	31.12.23	31.12.24	31.03.25 <sup>3,4</sup>	30.06.25 <sup>2,3</sup>
<b>CET1 capital</b>	<b>1,798</b>	<b>2,075</b>	<b>2,092</b>	<b>2,124</b>
Tier I capital	2,018	2,295	2,312	2,344
Tier II capital	300	307	312	316
<b>Total regulatory capital (Tier I + Tier II)</b>	<b>2,318</b>	<b>2,602</b>	<b>2,624</b>	<b>2,661</b>

# Overall Capital Requirements



- CET1 and Total capital ratio minimum capital requirements are set at 11.39% and 16.09% respectively, reflecting the phasing in of O-SII buffer of 0.0625% bps on 1 January 2025
- Pillar 2 requirement expected to decrease by 25 bps to 2.50%, effective from 1 Jan 2026 based on draft SREP decision
- Total O-SII buffer is expected to phase in by 0.0625 in January 2026, increasing to 2.00%
- Countercyclical buffer (CCyB) for exposures in Cyprus is expected to increase to 1.5% in January 2026 following decision by CBC in January 2025
- Based on draft SREP decision, the non-public guidance for an additional P2G is revised downwards, effective from January 2026

# Buffer to MDA Restrictions Level & Distributable Items<sup>1</sup>



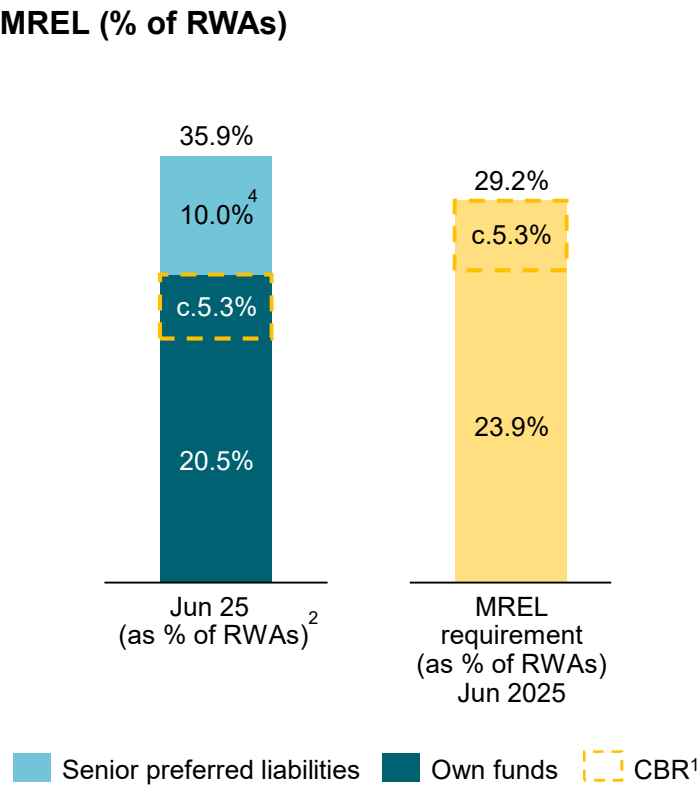
- Significant CET1 MDA buffer as at 30 June 2025: 924 bps (€952 mn)
- Distributable items<sup>1</sup> of €2,362 mn for BOCH as at 30 June 2025
- Based on 2024 SREP letter, the requirement for regulatory approval for dividend was lifted as of 1 January 2025

1) Distributable Items definition per CRR

2) Including reviewed profits for 1H2025 and a distribution accrual thereon at the top end of the Group's distribution policy. The distribution accrual level does not constitute a decision by the Bank with respect to distribution payment for 2025

# MREL Requirement Met with Significant Buffer

- MREL ratio including capital used to meet the CBR<sup>1</sup> ( as % of RWAs) at 35.9%<sup>2</sup> as at 30 June 2025
- MREL ratio (as % of Leverage Ratio Exposure (LRE)) at 13.8%<sup>2</sup> as at 30 June 2025
- Based on SRB communication received in January 2025, MREL requirement<sup>3</sup> is now set at;
  - 23.85% of RWAs plus prevailing CBR<sup>1</sup> i.e. 29.2% using current CBR<sup>1</sup>
  - 5.91% of LRE
- Distance to M-MDA restriction as at 30 June 2025: 667 bps (€687 mn)<sup>2,5</sup>
- The CBR<sup>1</sup> is expected to increase further (for more details refer to slide 55)



1) The CBR is expected to increase as a result of the phasing in of O-SII to 2.00% on 1 January 2026 as well as the increase of CcyB for exposures in Cyprus to 1.5% in January 2026 (refer to slide 55 for further details)

2) Includes profits for 1H2025 and a distribution accrual at the top end of the Group's Distribution Policy. Distribution accrual does not constitute a binding commitment of the Group for a payment.

3) The revised MREL requirement became binding with immediate effect

4) MREL-Eligible Senior Preferred Notes and other MREL eligible liabilities

5) Calculated against the final MREL requirement of 23.85% of RWAs (+ CBR as at 30 June 2025)



# Income Statement Bridge<sup>1</sup> for 1H2025

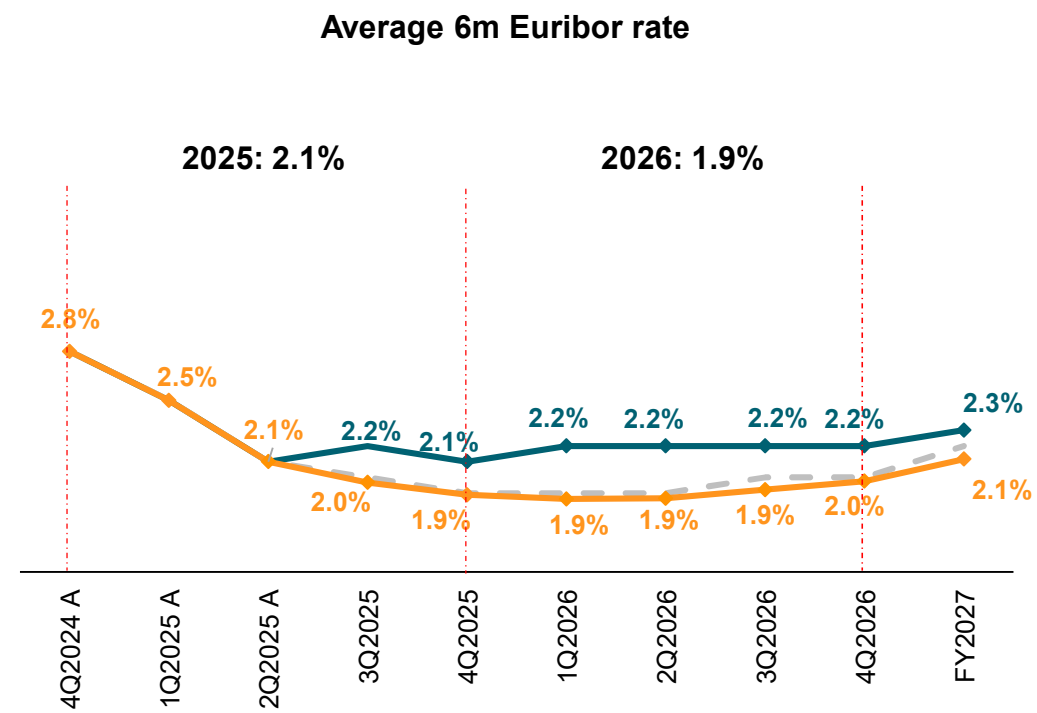
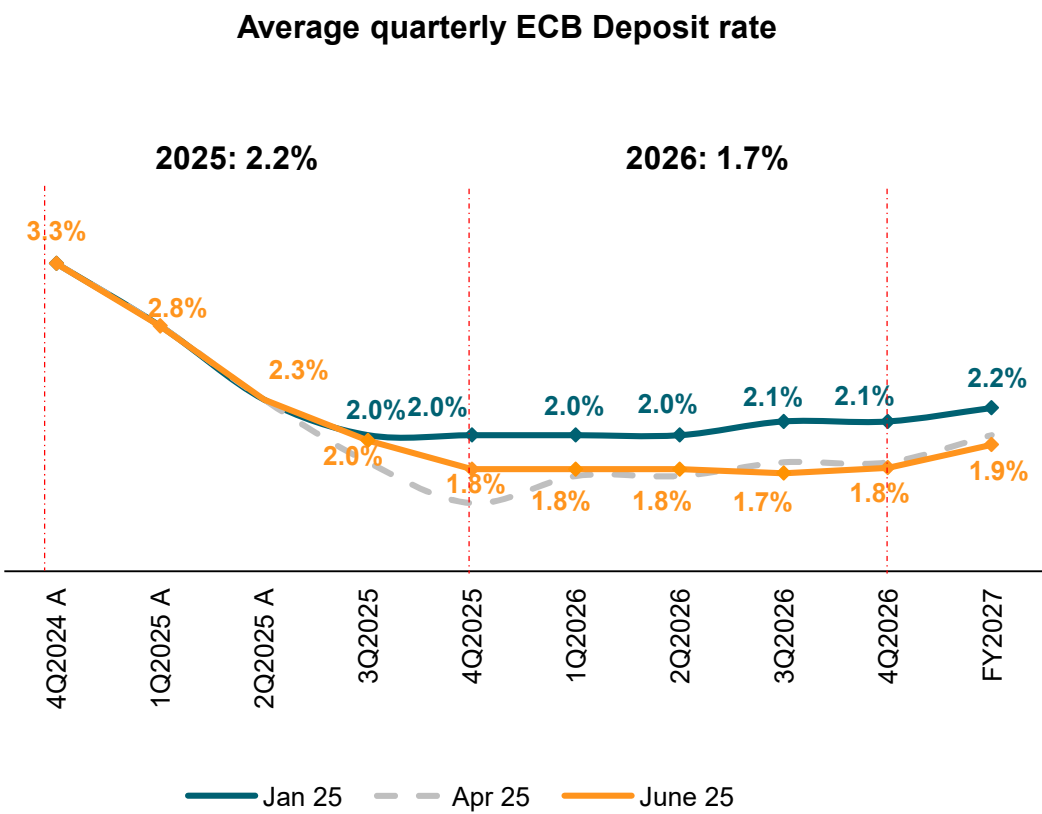
€ mn	Underlying basis	Other	Statutory Basis
Net interest income	368	-	368
Net fee and commission income	88	-	88
Net foreign exchange gains and net gains on financial instruments	18	(1)	17
Net losses on derecognition of financial assets measured at amortised cost	-	(2)	(2)
Net insurance result	24	-	24
Net gains/(losses) from revaluation and disposal of investment properties and on disposal of stock of properties	5	-	5
Other income	6	-	6
<b>Total income</b>	<b>509</b>	<b>(3)</b>	<b>506</b>
<b>Total expenses</b>	<b>(197)</b>	<b>(1)</b>	<b>(198)</b>
<b>Operating profit</b>	<b>312</b>	<b>(4)</b>	<b>308</b>
Loan credit losses	(19)	19	-
Impairments of other financial and non-financial assets	(14)	14	-
Credit losses on financial assets and impairment net of reversals of non-financial assets	-	(30)	(30)
Provisions for pending litigations, claims regulatory and other matters (net of reversals)	(1)	1	-
<b>Profit before tax and non-recurring items</b>	<b>278</b>	<b>-</b>	<b>278</b>
Tax	(42)	-	(42)
Profit attributable to non-controlling interests	(1)	-	(1)
<b>Profit after tax - attributable to the owners of the Company</b>	<b>235</b>	<b>-</b>	<b>235</b>

1) Please refer to section B.1 'Reconciliation of Interim Consolidated Income Statement for the six months ended 30 June 2025 between the statutory and underlying basis' of the Results Announcement

# Analysis of Interest Income and Interest Expense

Analysis of Interest Income (€ mn)	1Q2024	2Q2024	3Q2024	4Q2024	1Q2025	2Q2025	1H2024	1H2025
Loans and advances to customers	138	139	139	132	124	121	277	245
Loans and advances to banks and central banks	92	73	69	64	57	46	165	103
Repurchase agreements	4	7	8	8	8	8	11	16
Investments and other financial assets at amortised costs	25	27	29	30	29	31	52	60
Investments FVOCI	2	2	2	2	2	2	4	4
	261	248	247	236	220	208	509	428
Net derivative financial instruments	5	5	4	4	3	3	10	6
<b>Total Interest Income</b>	<b>266</b>	<b>253</b>	<b>251</b>	<b>240</b>	<b>223</b>	<b>211</b>	<b>519</b>	<b>434</b>
Analysis of Interest Expense (€ mn)								
Customer deposits	(15)	(17)	(19)	(17)	(18)	(15)	(32)	(33)
Funding from central banks and deposits by banks	(21)	(5)	(3)	(2)	(2)	(2)	(26)	(4)
Loan stock	(13)	(16)	(17)	(18)	(17)	(17)	(29)	(34)
	(49)	(38)	(39)	(37)	(37)	(34)	(87)	(71)
Net derivative financial instruments	(4)	(8)	(8)	(5)	-	5	(12)	5
<b>Total Interest Expense</b>	<b>(53)</b>	<b>(46)</b>	<b>(47)</b>	<b>(42)</b>	<b>(37)</b>	<b>(29)</b>	<b>(99)</b>	<b>(66)</b>

# Business Plan Forward Curves



Source: Market rates from Bloomberg; World Implied Interest Rate Probability used for 2025 and 30-day average curves in June 2025, April 2025 and January 2025 for years 2026 to 2027

# Income Statement by Business line for 1H2025

€ mn	Consumer Banking	SME Banking	Corporate Banking	IBU & International corporate	RRD	REMU	Insurance	Treasury	JCC	Other	Total
Net interest income/(expense)	176	26	68	64	5	(5)	-	37	-	(3)	368
Net fee & commission income/(expense)	33	5	10	24	1	-	(4)	2	14	3	88
Other income	1	1	1	4	-	9	26	8	3	-	53
<b>Total income</b>	<b>210</b>	<b>32</b>	<b>79</b>	<b>92</b>	<b>6</b>	<b>4</b>	<b>22</b>	<b>47</b>	<b>17</b>	<b>-</b>	<b>509</b>
<b>Total expenses</b>	<b>(89)</b>	<b>(11)</b>	<b>(21)</b>	<b>(21)</b>	<b>(9)</b>	<b>(8)</b>	<b>(4)</b>	<b>(8)</b>	<b>(11)</b>	<b>(15)</b>	<b>(197)</b>
<b>Operating profit/ (loss)</b>	<b>121</b>	<b>21</b>	<b>58</b>	<b>71</b>	<b>(3)</b>	<b>(4)</b>	<b>18</b>	<b>39</b>	<b>6</b>	<b>(15)</b>	<b>312</b>
Loan credit losses of customer loans net of gains/(losses) on derecognition of loans and changes in expected cash flows	(7)	(7)	(1)	(3)	1	-	-	-	-	(2)	(19)
Impairment of other financial and non-financial instruments	-	-	-	-	-	(14)	-	-	-	-	(14)
Provision for pending litigations, claims regulatory and other matters (net of reversals)	-	-	-	-	-	-	-	-	-	(1)	(1)
<b>Profit/ (loss) before tax</b>	<b>114</b>	<b>14</b>	<b>57</b>	<b>68</b>	<b>(2)</b>	<b>(18)</b>	<b>18</b>	<b>39</b>	<b>6</b>	<b>(18)</b>	<b>278</b>
Tax	(14)	(2)	(7)	(8)	-	(4)	(1)	(5)	(1)	-	(42)
Profit attributable to non-controlling interest	-	-	-	-	-	-	-	-	(1)	-	(1)
<b>Profit/(loss) after tax and before non-recurring items (attributable to the owners of the Company)</b>	<b>100</b>	<b>12</b>	<b>50</b>	<b>60</b>	<b>(2)</b>	<b>(22)</b>	<b>17</b>	<b>34</b>	<b>4</b>	<b>(18)</b>	<b>235</b>

# Statutory Income Statement for Insurance Businesses for 1H2025



€ mn	1H2025	1H2024	yoy%
Insurance revenue	41.5	39.3	6%
Insurance service expense	(26.4)	(23.6)	12%
<b>Net insurance service result</b>	<b>15.1</b>	<b>15.7</b>	<b>-4%</b>
Reinsurance revenue	11.3	10.7	6%
Reinsurance service expense	(13.7)	(13.6)	1%
<b>Net reinsurance service result</b>	<b>(2.4)</b>	<b>(2.9)</b>	<b>-17%</b>
Net insurance finance income/ (expense)	2.6	(32.3)	-
Net reinsurance finance (expense)	(0.2)	0.1	-
Loss from investment and occupational pension contracts	(0.1)	(0.3)	-68%
<b>Insurance service result</b>	<b>15.0</b>	<b>(19.7)</b>	<b>-</b>
Other income	0.3	0.4	-34%
Staff costs (non-attributable)	(0.5)	(0.4)	27%
Other operating costs (non-attributable)	(1.2)	(1.0)	21%
Net revaluations and/or sale on financial assets at fair value through profit or loss <sup>1</sup>	(1.6)	32.3	-
<b>Total net income</b>	<b>(3.0)</b>	<b>31.3</b>	<b>-</b>
<b>Profit before tax</b>	<b>12.0</b>	<b>11.6</b>	<b>3%</b>
Tax expense	(0.4)	(0.4)	-14%
<b>Profit after tax</b>	<b>11.6</b>	<b>11.2</b>	<b>4%</b>



€ mn	1H2025	1H2024	yoy%
Insurance revenue	36.2	33.4	8%
Insurance service expense	(15.8)	(18.2)	-13%
<b>Net insurance service result</b>	<b>20.4</b>	<b>15.2</b>	<b>35%</b>
Reinsurance revenue	2.2	4.5	-51%
Reinsurance service expense	(15.1)	(13.5)	12%
<b>Net reinsurance service result</b>	<b>(12.9)</b>	<b>(9.0)</b>	<b>44%</b>
Insurance finance expense	(0.4)	(0.8)	-45%
Reinsurance finance income or expense	0.2	0.3	-36%
<b>Net insurance financial result</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>-52%</b>
<b>Insurance service result</b>	<b>7.3</b>	<b>5.7</b>	<b>27%</b>
Staff costs (non-attributable)	(1.1)	(0.9)	19%
Other operating costs (non-attributable)	(1.1)	(0.9)	22%
Revaluation/disposal gains on investments	0.7	0.4	62%
Other income	0.1	-	-
<b>Total net income/ (expenses)</b>	<b>(1.4)</b>	<b>(1.4)</b>	<b>2%</b>
<b>Profit before tax</b>	<b>5.9</b>	<b>4.3</b>	<b>35%</b>
Tax expense	(0.7)	(0.5)	33%
<b>Profit after tax</b>	<b>5.2</b>	<b>3.8</b>	<b>35%</b>

Income statement based on the statutory financial statements of Eurolife and Genikes Insurance and including transactions with the Bank

1) Includes net revaluations and/or sale on policyholder assets included within "Net Insurance result" line in the Group's Income Statement

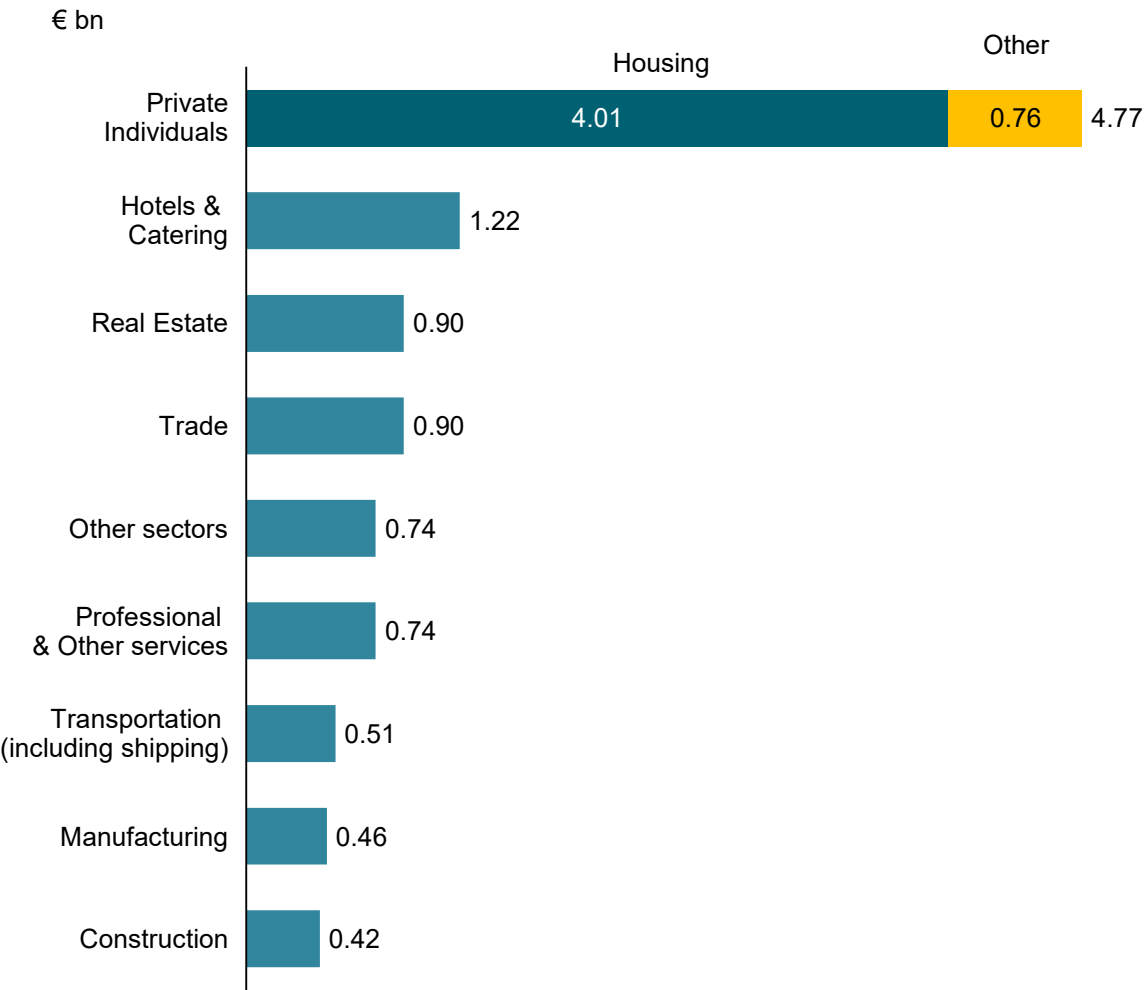
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## **Appendix**

### Additional Asset Quality Slides

# Well Diversified Loan Portfolio With High Quality Collateral

Gross performing book<sup>1</sup> by business sector of €10.66 bn



LTV <sup>2</sup>	Private individuals Housing €4.01 bn	Private individuals Other €0.76 bn	Business €5.89 bn
<80%	93%	27%	70%
>80%	7%	73%	30%

1) Gross loans as at 30 June 2025 of Corporate (incl. IB and International corporate), SME and Retail

2) Loan to Value (LTV) is calculated as the Gross IFRS Balance to the indexed market value of the property. Under Pillar 3 disclosures LTV is calculated as the Gross IFRS Balance to the indexed market value of collateral. Collateral takes into consideration the mortgage amount registered in the land registry plus legal interest from registration date to the reference date

# Loans by Economic Activity, Customer Type and Arrears Analysis

Gross loans (€ mn)	Dec 24 <sup>1</sup>	Mar 25	Jun 25
Trade	906	913	911
Manufacturing	319	410	461
Hotels & Catering	1,158	1,194	1,221
Construction	492	419	429
Real Estate	917	922	913
Private Individuals	4,791	4,819	4,866
Professional and other services	639	692	747
Other sectors	1,098	1,231	1,246
<b>Total</b>	<b>10,320</b>	<b>10,600</b>	<b>10,794</b>

NPE ratio	Dec 24 <sup>1</sup>	Mar 25	Jun 25
Trade	1.9%	1.7%	1.8%
Manufacturing	1.1%	0.8%	0.9%
Hotels & Catering	0.2%	0.2%	0.2%
Construction	0.6%	0.6%	0.5%
Real Estate	2.3%	2.4%	2.4%
Private Individuals	2.5%	2.4%	2.4%
Professional and other services	5.0%	3.5%	3.4%
Other sectors	0.2%	0.2%	0.1%
<b>Total</b>	<b>1,9%</b>	<b>1,8%</b>	<b>1,7%</b>

Gross loans by customer type (€ mn)	Dec 24 <sup>1</sup>	Mar 25	Jun 25
Retail Housing	3,631	3,647	3,689
Retail other	1,076	1,082	1,103
SMEs	1,005	1,024	1,019
International corporate	961	1,039	1,113
Corporate	3,647	3,808	3,870
<b>Total</b>	<b>10,320</b>	<b>10,600</b>	<b>10,794</b>

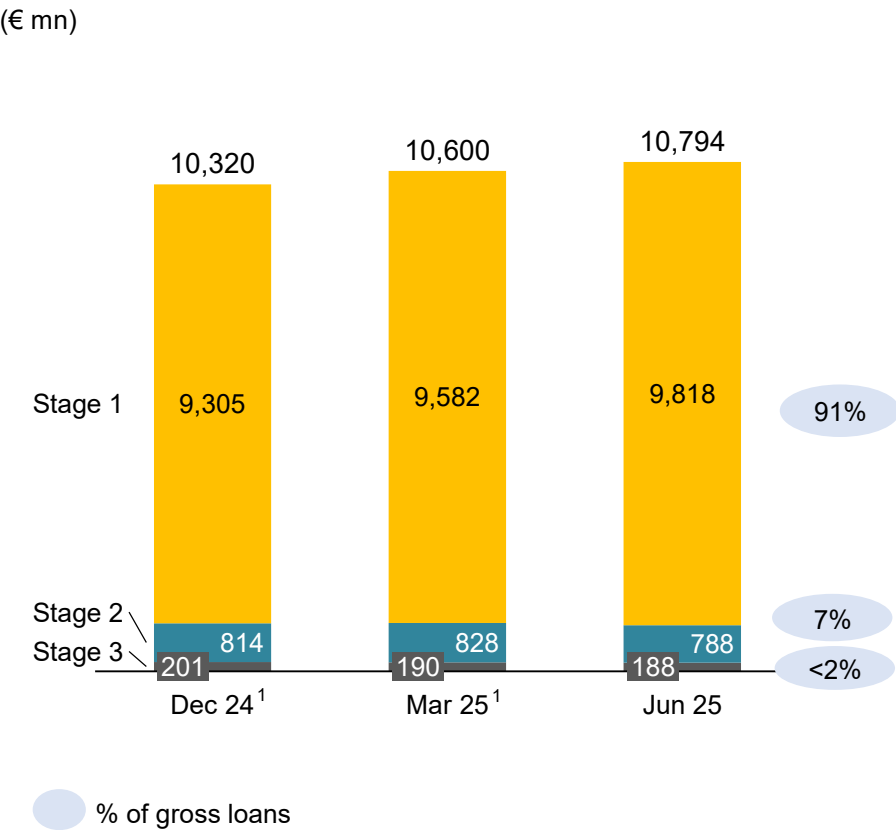
Loans arrears analysis (€ mn)	Dec 24 <sup>1</sup>	Mar 25	Jun 25
Loans with no arrears	10,100	10,386	10,592
Loans with arrears but not NPEs	19	24	14
NPEs with no arrears	99	88	79
NPEs Up to 30 DPD	1	1	1
NPEs 31-90 DPD	2	5	1
NPEs 91-180 DPD	7	5	20
NPEs 181-365 DPD	11	12	12
NPEs Over 1 year DPD	81	79	75
<b>Total loans</b>	<b>10,320</b>	<b>10,600</b>	<b>10,794</b>

1) Pro forma for HFS; Agreement for the sale of €27 mn NPEs in 3Q2024 and c.€39 mn in 4Q2024 ; completed in 1Q2025

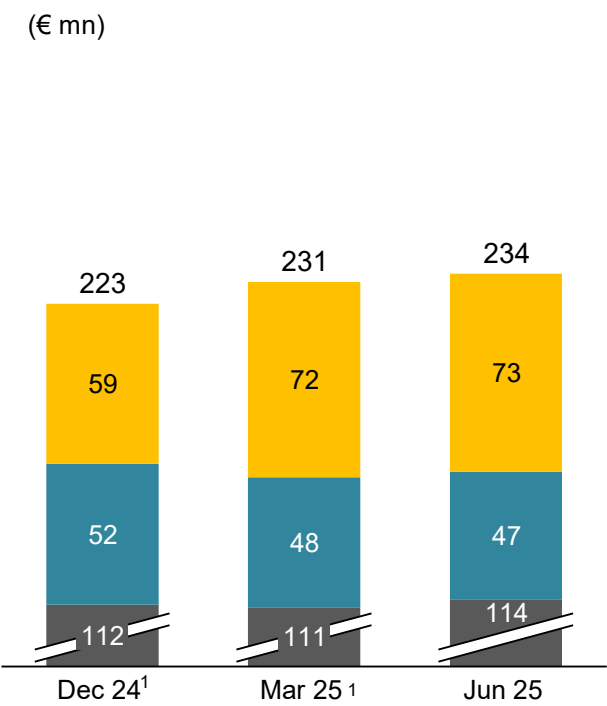


# Gross Loans and Coverage by IFRS 9 Staging

Gross loans by IFRS 9 stage



Allowance for expected loan credit losses

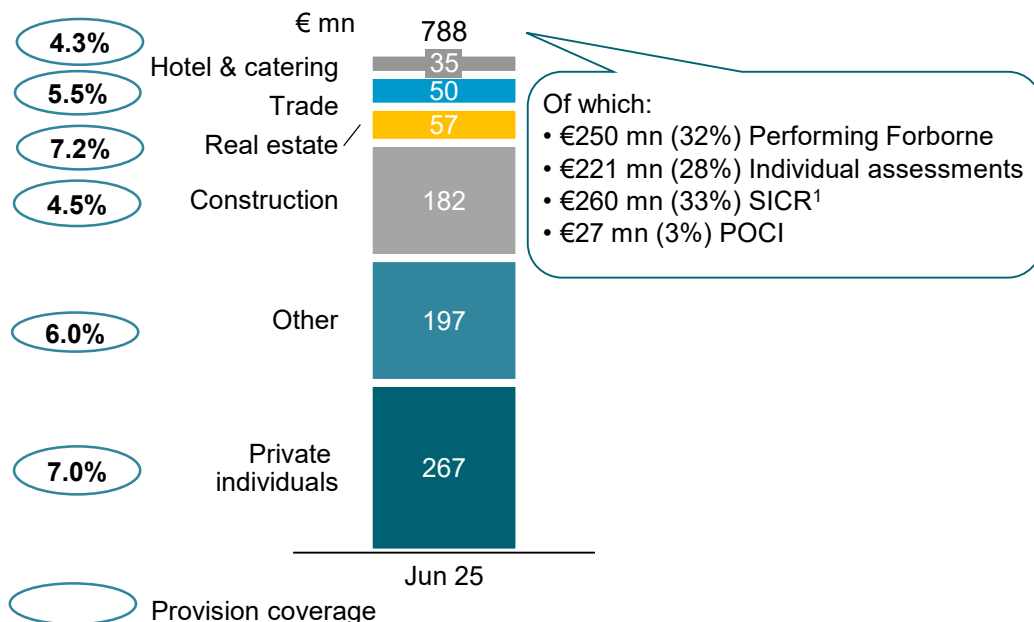


Coverage ratio

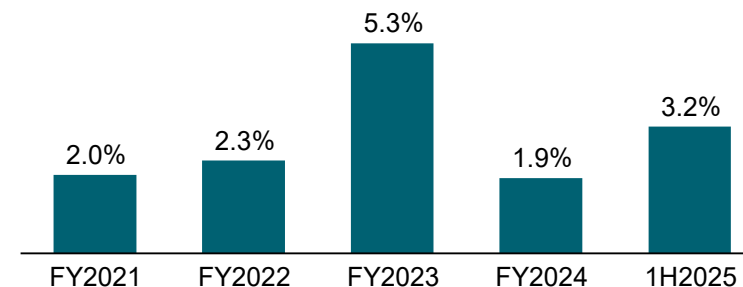
	Dec 24 <sup>1</sup>	Mar 25 <sup>1</sup>	Jun 25
Stage 1	0.6%	0.8%	0.7%
Stage 2	6.4%	5.8%	6.0%
Stage 3	55.6%	58.5%	60.4%

1) Pro forma for HFS; Agreement for the sale of €27 mn NPEs in 3Q2024 and c.€39 mn in 4Q2024 ; completed in 1Q2025

# Stage 2 Exposures <10% of Loan Book; 98% of Exposures Present no Arrears



## Limited migration rate of Stage 2 to Stage 3 at 3.2%



Migration to Stage 3 as a % of Stage 2 loans

- Strong performance of Stage 2 exposures; 98% present no arrears
- Only c.3% of Stage 2 loans were migrated to Stage 3 in 1H2025
- c.90% of Stage 2 loans are collateralised
- 7% of gross loans classified as Stage 2 of which:
  - 32% were classified as Stage 2 due to forbearances;
    - c.15% expected to exit the forborene status in 2025 and hence be eligible for transfer to Stage 1

Days past due	0 dpd	1-30 dpd	>30 dpd
Private Individuals	98%	1%	1%
Business	99%	1%	0%

LTV	0-75%	75%-100%	>100%
Private Individuals	71%	5%	24%
Business	71%	5%	24%
Total	71%	5%	24%

1) Significant increase in credit risk

# Rescheduled Loans<sup>1</sup>

## Rescheduled loans<sup>1</sup> by customer type

€ bn	Dec 24	Mar 25	Jun 25
Retail housing	0.09	0.07	0.07
Retail other	0.02	0.02	0.02
SMEs	0.03	0.03	0.03
International corporate	-	-	-
Corporate	0.24	0.24	0.23
<b>Total</b>	<b>0.38</b>	<b>0.36</b>	<b>0.35</b>

## Rescheduled loans<sup>1</sup>

30 Jun 2025	€ bn
Stage 1	-
Stage 2	0.25
Stage 3	0.07
POCI	0.03
FVPL	-
<b>Total</b>	<b>0.35</b>

## Fair value of collateral and credit enhancements

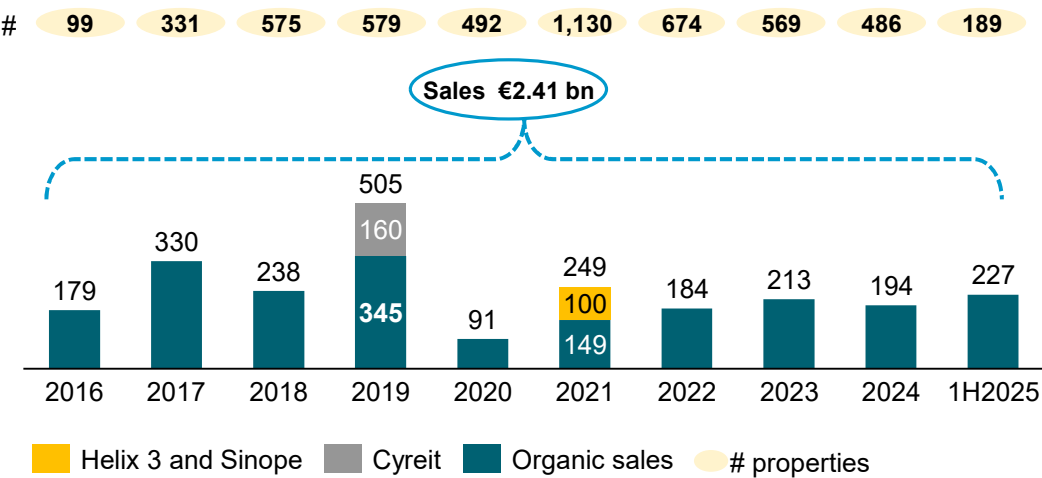
Loans and advances to customers	30 Jun 2025 (€ mn)
Cash	584
Securities	643
Letters of credit / guarantee	235
Property	17,539
Other	307
Surplus collateral	(10,291)
<b>Net collateral</b>	<b>9,017</b>

1) Rescheduled loans are presented net of fair value

# REMU - the Engine for Dealing with Foreclosed Assets

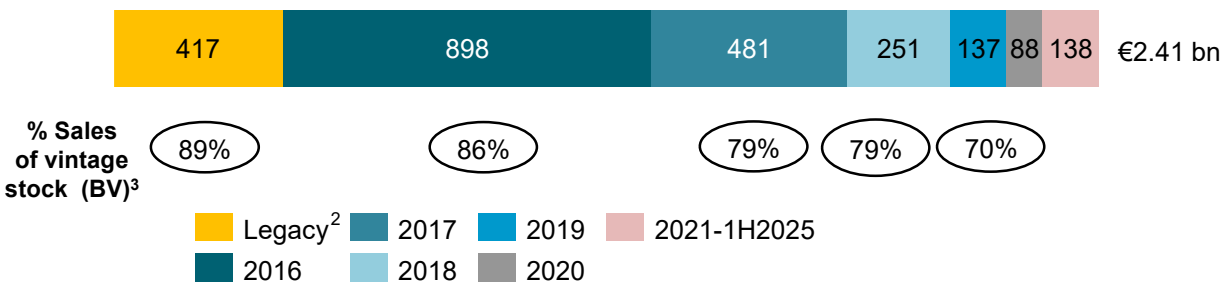
€2.41 bn sales<sup>1</sup> of 5,124 properties across all property classes since set-up

Sales € mn (contract prices<sup>1</sup>)

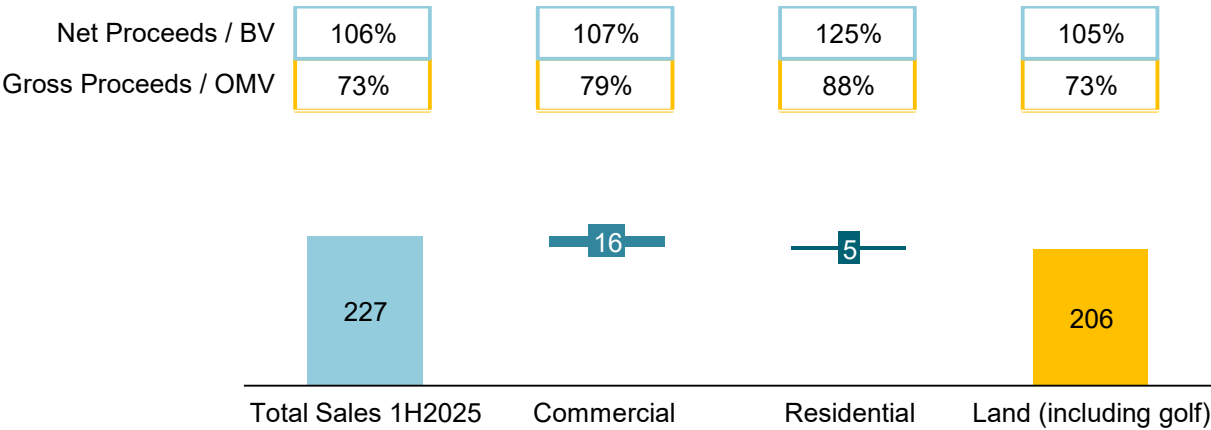


## Breakdown of cumulative sales<sup>1</sup>

by on-boarding year (€ mn)

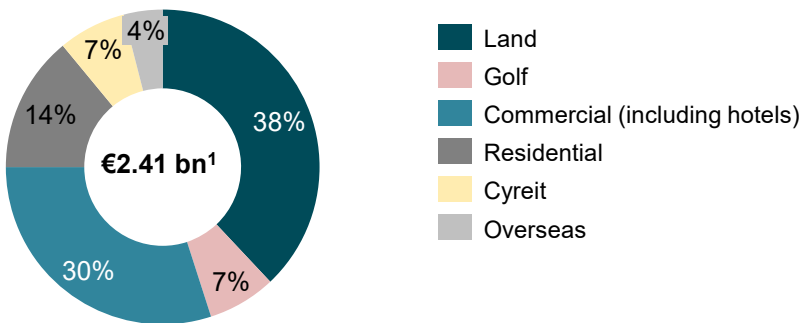


€227 mn sales<sup>1</sup> in 1H2025; comfortably above Book Value



## Cumulative sales by property type; 38% of sales relate to land

Sales contract price – 30 June 2025



1) Amounts as per Sales Purchase Agreements (SPAs)  
2) Legacy properties relate to properties that were on-boarded before REMU set-up in January 2016  
3) The BV of the properties disposed at the date of disposal as a proportion of the: BV of the properties disposed at the time of the disposal plus the BV of the residual properties managed by REMU as at 30 June 2025

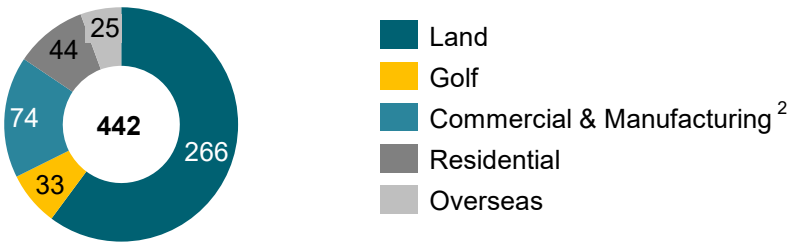
# REMU - the Engine for Dealing with Foreclosed Assets

## Reposessed properties sold exceed properties acquired since 2019

Group BV (€ mn)

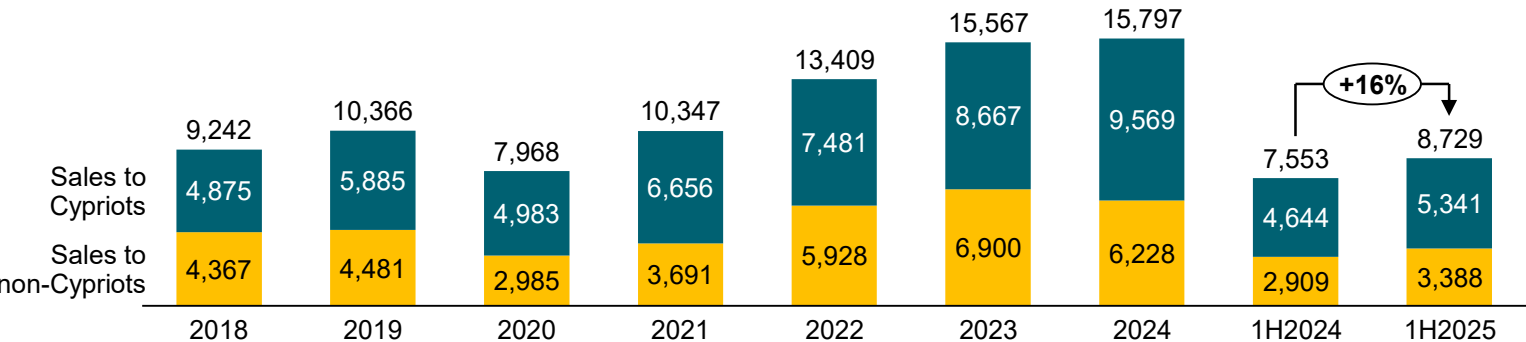


By type (€ mn) – 30 June 2025



- Pipeline of €34 mn by contract value as at 30 June 2025, of which €19 mn relates to SPAs signed

## Sales contracts (excl. DFAs)<sup>1</sup> up 16% yoy



1) Based on data from Land of Registry - Sales contracts

2) Including hotels

---

# **Appendix**

## Glossary & Definitions

# Glossary & Definitions

<b>AC</b>	Amortised cost bonds.
<b>Adjusted recurring profitability</b>	The Group's profit after tax before non-recurring items (attributable to the owners of the Company) taking into account distributions under other equity instruments such as the annual AT1 coupon.
<b>Advisory and other transformation costs</b>	Comprise mainly of fees of external advisors in relation to: (i) the transformation program and other strategic projects of the Group and (ii) customer loan restructuring activities, where applicable.
<b>Allowance for expected loan credit losses (previously 'Accumulated provisions')</b>	Comprises (i) allowance for expected credit losses (ECL) on loans and advances to customers (including allowance for expected credit losses on loans and advances to customers held for sale where applicable), (ii) the residual fair value adjustment on initial recognition of loans and advances to customers (including residual fair value adjustment on initial recognition on loans and advances to customers classified as held for sale where applicable), (iii) allowance for expected credit losses for off-balance sheet exposures (financial guarantees and commitments) disclosed on the balance sheet within other liabilities, and (iv) the aggregate fair value adjustment on loans and advances to customers classified and measured at FVPL.
<b>AIEA</b>	This relates to the average of 'interest earning assets' as at the beginning and end of the relevant quarter. Interest earning assets include: cash and balances with central banks (including cash and balances with central banks classified as non-current assets held for sale), plus loans and advances to banks, plus reverse repos, plus net loans and advances to customers (including loans and advances to customers classified as non-current assets held for sale), plus 'deferred consideration receivable' included within 'other assets', plus investments (excluding equities and mutual funds).
<b>AT1</b>	AT1 (Additional Tier 1) is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
<b>Book Value</b>	BV= book value = Carrying value prior to the sale of property.
<b>Basic earnings/(losses) after tax per share (attributable to the owners of the Company)</b>	Basic earnings after tax per share (attributable to the owners of the Company) is the Profit/(loss) after tax (attributable to the owners of the Company) divided by the weighted average number of shares in issue during the period, excluding treasury shares.
<b>Carbon neutral</b>	The reduction and balancing (through a combination of offsetting investments or emission credits) of greenhouse gas emissions from own operations.
<b>CET1 capital ratio (transitional basis)</b>	CET1 capital ratio (transitional basis) is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
<b>CET1 Fully loaded (FL)</b>	The CET1 fully loaded (FL) ratio is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
<b>Cost of Funding</b>	Effective yield of cost of funding: Interest expense of all interest bearing liabilities after hedging, over average interest bearing liabilities (customer deposits, funding from the central bank, interbank funding, subordinated liabilities). Historical information has been adjusted to take into account hedging.
<b>Cost to Income ratio</b>	Cost-to-income ratio comprises total expenses (as defined) divided by total income (as defined).
<b>Cost of Risk</b>	Loan credit losses charge (cost of risk) (year -to -date) is calculated as the annualised 'loan credit losses' (as defined) divided by average gross loans (as defined). The average gross loans are calculated as the average of the opening balance and the closing balance, for the reporting period/year.
<b>CRR DD</b>	Default Definition.
<b>DFAs</b>	Debt for Asset Swaps.
<b>DFEs</b>	Debt for Equity Swaps.

# Glossary & Definitions

<b>DTA</b>	Deferred tax asset.
<b>DTC</b>	Deferred Tax Credit.
<b>EBA</b>	European Banking Authority.
<b>ECB</b>	European Central Bank.
<b>Effective yield</b>	Interest Income on Loans/Average Net Loans.
<b>Effective yield of liquid assets</b>	Interest income on liquids after hedging, over average liquids (Cash and balances with central banks, placements with banks and bonds).
<b>FTP</b>	Fund transfer pricing methodologies applied between the business lines to present their results on an arm's length basis.
<b>FVOCI</b>	Fair value through other comprehensive income bonds.
<b>GBV</b>	Gross Book Value.
<b>Green Asset ratio</b>	The proportion of the share of a credit institution's assets financing and invested in EU Taxonomy-aligned economic activities as a share of total covered assets.
<b>Gross Loans</b>	<p>Gross loans comprise: (i) gross loans and advances to customers measured at amortised cost before the residual fair value adjustment on initial recognition (including loans and advances to customers classified as non-current assets held for sale where applicable) and (ii) loans and advances to customers classified and measured at FVPL adjusted for the aggregate fair value adjustment.</p> <p>Gross loans are reported before the residual fair value adjustment on initial recognition relating mainly to loans acquired from Laiki Bank (calculated as the difference between the outstanding contractual amount and the fair value of loans acquired) amounting to €53 mn as at 30 June 2025 (compared to €57 mn as at 31 March 2025 and €59 mn as at 31 December 2024).</p> <p>Additionally, gross loans include loans and advances to customers classified and measured at fair value through profit or loss adjusted for the aggregate fair value adjustment of €122 mn as at 30 June 2025 (compared to €122 mn as at 31 March 2025 and €129 mn as at 31 December 2024).</p>
<b>Gross performing loan book</b>	Gross loans (as defined) excluding the legacy exposures (as defined).
<b>Gross Sales Proceeds</b>	Proceeds before selling charge and other leakages.
<b>Group</b>	The Group consists of Bank of Cyprus Holdings Public Limited Company, "BOC Holdings" or the "Company", its subsidiary Bank of Cyprus Public Company Limited, the "Bank" and the Bank's subsidiaries.
<b>IB</b>	International Banking
<b>IBU</b>	Servicing exclusively international activity companies registered in Cyprus and abroad and not residents.



# Glossary & Definitions

<b>Legacy exposures</b>	Legacy exposures are exposures relating to (i) Restructuring and Recoveries Division (RRD), (ii) Real Estate Management Unit (REMU), and (iii) non-core overseas exposures.
<b>Leverage Ratio Exposure (LRE)</b>	Leverage Ratio Exposure (LRE) is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended.
<b>Liquid assets</b>	Cash, placements with banks, balances with central banks, reverse repos and bonds.
<b>Loan credit losses (PL) (previously 'Provision charge')</b>	Loan credit losses comprise: (i) credit losses to cover credit risk on loans and advances to customers, (ii) net gains on derecognition of financial assets measured at amortised cost relating to loans and advances to customers and (iii) net gains on loans and advances to customers at FVPL, for the reporting period/year.
<b>Loan to Value ratio (LTV)</b>	Loan to Value (LTV) is calculated as the Gross IFRS Balance to the indexed market value of the property. Under Pillar 3 disclosures LTV is calculated as the Gross IFRS Balance to the indexed market value of collateral. Collateral takes into consideration the mortgage amount registered in the land registry plus legal interest from registration date to the reference date.
<b>MSCI ESG Rating</b>	The use by the Company and the Bank of any MSCI ESG Research LLC or its affiliates ('MSCI') data, and the use of MSCI Logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation or promotion of the Company or the Bank by MSCI. MSCI Services and data are the property of MSCI or its information providers and are provided "as-is" and without warranty. MSCI Names and logos are trademarks or service marks of MSCI.
<b>Net Proceeds</b>	Proceeds after selling charges and other leakages.
<b>Net interest margin (NIM)</b>	Net interest margin is calculated as the net interest income (annualised) divided by the 'quarterly average interest earning assets' (as defined).
<b>Net loans and advances to customers</b>	Net loans and advances to customers comprise gross loans (as defined) net of allowance for expected loan credit losses (as defined, but excluding allowance for expected credit losses on off-balance sheet exposures disclosed on the balance sheet within other liabilities).
<b>Net NPE ratio</b>	Calculated as NPEs (as defined) net of allowance for expected loan credit losses (as defined) over net loans and advances to customers (as defined)
<b>Net performing loan book</b>	Net performing loan book is the total net loans and advances to customers (as defined) excluding net loans included in the legacy exposures (as defined)
<b>Net zero emissions</b>	The reduction of greenhouse gas emissions to net zero through a combination of reduction activities and offsetting investments.
<b>New lending</b>	New lending includes the disbursed amounts of the new and existing non-revolving facilities (excluding forborne or re-negotiated accounts) as well as the average year-to-date change (if positive) of the current accounts and overdraft facilities between the balance at the beginning of the period and the end of the period. Recoveries are excluded from this calculation since their overdraft movement relates mostly to accrued interest and not to new lending.
<b>NII sensitivity</b>	<p><u>Key simplifying assumptions</u></p> <p>An instantaneous and sustained parallel movement in EUR interest rates</p> <p>Static balance sheet in size and composition</p> <p>Assets and liabilities whose pricing is mechanically linked to market / central bank rates assumed to reprice accordingly</p> <p>34% and 7% pass through assumption for EUR Fixed and Notice deposits respectively, and 84% and 1% pass through assumption for USD Fixed and Notice deposits respectively</p>

# Glossary & Definitions

<b>Non-interest income</b>	Non-interest income comprises Net fee and commission income, Net foreign exchange gains and net gains/(losses) on financial instruments and (excluding net gains on loans and advances to customers at FVPL), Net insurance result, Net (losses)/ gains from revaluation and disposal of investment properties and on disposal of stock of properties, and Other income.
<b>Non-recurring items</b>	Non-recurring items as presented in the 'Unaudited Consolidated Income Statement–Underlying basis' relate to 'Advisory and other transformation costs - organic'.
<b>NPE coverage ratio (previously 'NPE Provisioning coverage ratio')</b>	The NPE coverage ratio is calculated as the allowance for expected loan credit losses (as defined) over NPEs (as defined).
<b>NPE ratio</b>	<p>NPEs ratio is calculated as the NPEs as per EBA (as defined) divided by gross loans (as defined).</p> <p>As per the European Banking Authorities (EBA) standards and European Central Bank's (ECB) Guidance to Banks on Non-Performing Loans (which was published in March 2017), non-performing exposures (NPEs) are defined as those exposures that satisfy one of the following conditions:</p> <ul style="list-style-type: none"> <li>(i) The borrower is assessed as unlikely to pay its credit obligations in full without the realisation of the collateral, regardless of the existence of any past due amount or of the number of days past due.</li> <li>(ii) Defaulted or impaired exposures as per the approach provided in the Capital Requirement Regulation (CRR), which would also trigger a default under specific credit adjustment, diminished financial obligation and obligor bankruptcy.</li> <li>(iii) Material exposures as set by the CBC, which are more than 90 days past due.</li> <li>(iv) Performing forborne exposures under probation for which additional forbearance measures are extended.</li> <li>(v) Performing forborne exposures previously classified as NPEs that present more than 30 days past due within the probation period.</li> </ul> <p>From 1 January 2021 two regulatory guidelines came into force that affect NPE classification and Days-Past-Due calculation. More specifically, these are the RTS on the Materiality Threshold of Credit Obligations Past-Due (EBA/RTS/2016/06), and the Guideline on the Application of the Definition of Default under article 178 (EBA/RTS/2016/07).</p>
<b>NPEs</b>	<p>The Days-Past-Due (DPD) counter begins counting DPD as soon as the arrears or excesses of an exposure reach the materiality threshold (rather than as of the first day of presenting any amount of arrears or excesses). Similarly, the counter will be set to zero when the arrears or excesses drop below the materiality threshold. Payments towards the exposure that do not reduce the arrears/excesses below the materiality threshold, will not impact the counter.</p> <p>For retail debtors, when a specific part of the exposures of a customer that fulfils the NPE criteria set out above is greater than 20% of the gross carrying amount of all on balance sheet exposures of that customer, then the total customer exposure is classified as non-performing; otherwise only the specific part of the exposure is classified as non-performing. For non-retail debtors, when an exposure fulfils the NPE criteria set out above, then the total customer exposure is classified as non-performing.</p> <p>Material arrears/excesses are defined as follows: (a) Retail exposures: Total arrears/excess amount greater than €100, (b) Exposures other than retail: Total arrears/excess amount greater than €500 and the amount in arrears/excess in relation to the customer's total exposure is at least 1%.</p> <p>The NPEs are reported before the deduction of allowance for expected loan credit losses (as defined).</p>

# Glossary & Definitions

<b>Non-legacy (performing)</b>	Relates to all business lines excluding Restructuring and Recoveries Division ("RRD"), REMU and non-core overseas exposures.
<b>NSFR</b>	The NSFR is calculated as the amount of "available stable funding" (ASF) relative to the amount of "required stable funding" (RSF). The regulatory limit, enforced in June 2021, has been set at 100% as per the CRR II.
<b>OMV</b>	Open Market Value.
<b>Operating profit</b>	Operating profit comprises profit before loan credit losses (as defined), impairments of other financial and non-financial assets, provisions for pending litigation, claims, regulatory and other matters (net of reversals), tax, profit attributable to non-controlling interests and non-recurring items (as defined).
<b>Phased-in Capital Conservation Buffer (CCB)</b>	In accordance with the legislation in Cyprus which has been set for all credit institutions, the applicable rate of the CCB is 1.25% for 2017, 1.875% for 2018 and 2.5% for 2019 (fully phased-in).
<b>p.p.</b>	percentage points.
<b>Profit/(loss) after tax and before non-recurring items (attributable to the owners of the Company)</b>	This refers to the profit after tax (attributable to the owners of the Company), excluding any 'non-recurring items' (as defined).
<b>Profit/(loss) after tax – organic (attributable to the owners of the Company)</b>	This refers to the profit or loss after tax (attributable to the owners of the Company), excluding any 'non-recurring items' (as defined, except for the 'advisory and other transformation costs – organic').
<b>Qoq</b>	Quarter on quarter change.
<b>REMU</b>	Real Estate Management Unit
<b>Restructured loans</b>	Restructuring activity within quarter as recorded at each quarter end and includes restructurings of NPEs, performing loans and re-restructurings.
<b>Return on Tangible equity (ROTE)</b>	Return on Tangible Equity (ROTE) is calculated as Profit/(loss) after tax (attributable to the owners of the Company) (as defined) (annualised - (based on year - to - date days)), divided by the quarterly average of Shareholders' equity minus intangible assets at each quarter/year end.

# Glossary & Definitions

<b>Return on Tangible equity (ROTE) on 15% CET1 ratio</b>	Calculated as Profit/(loss) after tax (attributable to the owners of the Company) (annualised - (based on year - to - date days), divided by the quarterly average of Shareholders' equity minus intangible assets and after deducting the excess CET1 capital on a 15% CET1 ratio from the tangible book value.
<b>RRD</b>	Restructuring and Recoveries Division.
<b>RWAs</b>	Risk Weighted Assets.
<b>RWA Intensity</b>	Risk Weighted Assets over Total Assets.
<b>Special levy on deposits and other levies/contributions</b>	Relates to the special levy on deposits of credit institutions in Cyprus, contributions to the Single Resolution Fund (SRF), contributions to the Deposit Guarantee Fund (DGF), as well as the DTC levy, where applicable.
<b>Stage 2 &amp; Stage 3 Loans</b>	Include purchased or originated credit-impaired.
<b>Tangible book value per share</b>	Calculated as the total equity attributable to the owners of the Company, (i.e. not including other equity instruments, such as AT1) less intangible assets at each quarter/year end divided by the number of ordinary shares (excluding treasury shares) of the period/quarter end.
<b>Tangible book value per share excluding the cash dividend</b>	Calculated as the total equity attributable to the owners of the Company, (i.e. not including other equity instruments, such as AT1) less intangible assets at each quarter/year end and the amounts of cash dividend recommended for distribution in respect of earnings of the relevant year the dividend relates to, divided by the number of ordinary shares (excluding treasury shares) of the period/quarter end.
<b>Tangible Collateral</b>	Restricted to Gross IFRS balance.
<b>Total Capital ratio</b>	Total capital ratio is defined in accordance with the Capital Requirements Regulation (EU) No 575/2013, as amended by CRR II applicable as at the reporting date.
<b>Total expenses</b>	Total expenses comprise staff costs, other operating expenses and the special levy on deposits and other levies/contributions. It does not include 'advisory and other transformation costs-organic', where applicable. 'Advisory and other transformation costs-organic' amounted to nil for 2Q2025 (compared to nil for 1Q2025 and 1H2024).
<b>Total income</b>	Total income comprises net interest income and non-interest income (as defined).
<b>Total loan credit losses, impairments and provisions</b>	Total loan credit losses, impairments and provisions comprise loan credit losses (as defined), plus impairments of other financial and non-financial assets, plus provisions for pending litigation, claims, regulatory and other matters (net of reversals).
<b>T2</b>	Tier 2 Capital.
<b>Underlying basis</b>	This refers to the statutory basis after being adjusted for reclassification of certain items as explained in the Basis of Presentation.
<b>Write offs</b>	Loans together with the associated loan credit losses are written off when there is no realistic prospect of recovery. Partial write-offs, including non-contractual write-offs, may occur when it is considered that there is no realistic prospect for the recovery of the contractual cash flows. In addition, write-offs may reflect restructuring activity with customers and are part of the terms of the agreement and subject to satisfactory performance.
<b>Yoy</b>	Year on year change.