

Notification

Possible Offer for Bank of Cyprus Holdings Public Limited Company (“BOCH”)

Nicosia, 26 August 2022

Notification under Rule 2.10(c) in respect of rights of Employee Representatives under Rule 25.1(b) of the Irish Takeover Panel Act 1997, Takeover Rules 2022 (the “Irish Takeover Rules”)

We refer to the announcement issued by LSF XI Investments LLC (“**Lone Star**”) on 19 August 2022 regarding a possible offer (the “**Possible Offer**”) by Lone Star to acquire the entire issued, and to be issued, share capital of BOCH for €1.51 per share in cash (the “**Announcement**”) and our response to the Announcement (the “**Response Announcement**”), published shortly afterwards, confirming that BOCH has rejected three unsolicited, conditional, non-binding proposals from Lone Star, including the Possible Offer. The Announcement and the Response Announcement are available on our website at <https://www.bankofcyprus.com/en-gb/group/investor-relations/possible-offer/> for your reference.

In accordance with Rule 2.10(c) of the Irish Takeover Rules, employees and employee representatives of BOCH and its subsidiaries are referred to the right of employee representatives under Rule 25.1(b) in the event BOCH prepares a response circular or scheme document. Please note that, as set out in the Response Announcement, there can be no certainty that any formal offer will be made nor as to the terms on which any offer might be made.

Disclaimer

This notification is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to this notification or otherwise. Any offer will be made solely by certain offer documentation which will contain the full terms and conditions of any offer, including details of how it may be accepted.

This notification has been prepared in accordance with and in compliance with the applicable laws of Ireland, Cyprus and England and information disclosed may not be the same as that which would have been prepared in accordance with the laws of other jurisdictions.

The distribution of this notification in jurisdictions other than Ireland, Cyprus and the United Kingdom and the availability of any offer to shareholders of Bank of Cyprus who are not resident in Ireland, Cyprus or the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore, any persons who are subject to the laws of any jurisdiction other than Ireland, Cyprus or the United Kingdom or shareholders of Bank of Cyprus who are not resident in Ireland, Cyprus or the United Kingdom will need to inform themselves about, and observe, any applicable requirements.

Jurisdiction

Bank of Cyprus is a public limited company incorporated in Ireland with relevant securities listed and admitted to trading on the Main Market of the London Stock Exchange and on the Cyprus Stock Exchange. As a result, any transaction to acquire Bank of Cyprus which constitutes a "takeover bid" (as defined in Directive 2004/25/EC (the "Takeover Bids Directive")) will be subject to the shared jurisdiction of the Irish Takeover Panel and the Cyprus Securities Exchange Commission in line with the procedures set out in Article 4 of the Takeover Bids Directive, as implemented in Ireland and Cyprus. Any transaction to acquire control of Bank of Cyprus which proceeds other-wise than by way of takeover bid will be subject to the jurisdiction of the Irish Takeover Panel under the Irish Takeover Rules. Prior to a determination being made as to the manner in which any transaction to acquire Bank of Cyprus would be implemented, the possible offer is subject to the jurisdiction of both the Irish Takeover Panel and the Cyprus Securities Exchange Commission. As noted above, there is no certainty that any formal offer to acquire Bank of Cyprus will be made nor as to the terms on which any offer might be made.

Responsibility Statement

The Directors of Bank of Cyprus accept responsibility for the information contained in this notification. To the best of their knowledge and belief (having taken all reasonable care to ensure such is the case), the information contained in this notification is in accordance with the facts and does not omit anything likely to affect the import of such information.

Disclosure requirements of the Irish Takeover Rules

Under Rule 8.3(a) of the Irish Takeover Rules, any person who is 'interested' (directly or indirectly) in 1% or more of any class of 'relevant securities' of Bank of Cyprus must make an 'opening position disclosure' by no later than 3.30pm (Irish/UK time) on 2 September 2022. An 'opening position disclosure' must contain the details specified in Rule 8.6(a) of the Irish Takeover Rules, including details of the person's interests and short positions in any 'relevant securities' of Bank of Cyprus. Relevant persons who deal in any 'relevant securities' of Bank of Cyprus prior to the deadline for making an 'opening position disclosure' must instead make a dealing disclosure as described below.

Under Rule 8.3(b) of the Irish Takeover Rules, any person 'interested' (directly or indirectly) in 1% or more of any class of 'relevant securities' of Bank of Cyprus must disclose all 'dealings' in such 'relevant securities' during the 'offer period'. The disclosure of a 'dealing' in 'relevant securities' by a person to

whom Rule 8.3(b) applies must be made by no later than 3.30 pm (Irish/UK time) on the business day following the date of the transaction. A dealing disclosure must contain the details specified in Rule 8.6(b) of the Irish Takeover Rules, including details of the dealing concerned and of the person's interests and short positions in any 'relevant securities' of Bank of Cyprus.

In addition, Lone Star must make an 'opening position disclosure' by no later than 12.00 (noon) (Irish/UK time) on 2 September 2022 and disclose details of any 'dealings' by it or any person 'acting in concert' with it in 'relevant securities' of Bank of Cyprus by no later than 12.00 (noon) (Irish/UK time) on the business day following the date of the transaction.

All 'dealings' in 'relevant securities' of Bank of Cyprus by Lone Star, or by any party acting in concert with Lone Star, must also be disclosed by no later than 12 noon (Irish/UK time) on the 'business' day following the date of the relevant transaction. If two or more persons co-operate on the basis of an agreement, either express or tacit, either oral or written, to acquire for one or more of them an interest in relevant securities, they will be deemed to be a single person for these purposes.

Disclosure tables, giving details of the companies in whose 'relevant securities' 'opening positions' and 'dealings' should be disclosed, can be found on the Irish Takeover Panel's website at www.irishtakeoverpanel.ie.

'Interests' in securities arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an 'interest' by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks in this section are defined in the Irish Takeover Rules, which can also be found on the Irish Takeover Panel's website. If you are in any doubt as to whether or not you are required to disclose a dealing or an opening position under Rule 8, please consult the Irish Takeover Panel's website at www.irishtakeoverpanel.ie or contact the Irish Takeover Panel on telephone number +353 1 678 9020.

Disclosure requirements of the Cypriot Takeover Bids Law

In addition to the requirements under Rule 8 of the Irish Takeover Rules as outlined above, under section 26 of the Cypriot Takeover Bids Law, during the 'period of the takeover bid':

- (a) Lone Star and every person holding a percentage of five per cent (5%) or more of the voting rights of Bank of Cyprus or Lone Star, must announce immediately, in accordance with the provisions of the Cypriot Takeovers Bids Law, every acquisition of securities in Bank of Cyprus or Lone Star made by themselves or by persons acting in their own name but on their behalf or in concert with them or by undertakings controlled by them, as well as the acquisition price and any voting rights already held in that company; and
- (b) every person acquiring a percentage equal to half per cent (0.5%) or greater of the voting rights of Bank of Cyprus or Lone Star, must make an announcement for this acquisition in accordance with the provisions of the Cypriot Takeovers Bids Law, as well as every subsequent acquisition of securities of these companies by themselves or by persons acting in their own name but on their behalf or in concert with them or by undertakings controlled by them, as well as the acquisition price and any voting rights already held in that company.

Terms in quotation marks in this section are defined in the Cypriot Takeover Bids Law, which can also be found on the website of the Securities and Exchange Commission of Cyprus at www.cysec.gov.cy.

Forward-looking statements

Certain statements in this notification are forward looking and so involve risk and uncertainty because they relate to events, and depend upon circumstances that will occur in the future and therefore results and developments can differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this notification and Bank of Cyprus undertakes no obligation to update these forward-looking statements.

No Profit Forecast / Asset Valuations

No statement in this notification is intended to constitute a profit forecast for any period, nor should any statements be interpreted to mean that earnings or earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for Bank of Cyprus or Lone Star as appropriate. No statement in this notification constitutes an asset valuation.