



Announcement

Completion of Project Helix 3 - Sale of non-performing loans

Nicosia, 18 November 2022

Group Profile

The Bank of Cyprus Group is the leading banking and financial services group in Cyprus, providing a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. At 30 September 2022, the Bank of Cyprus Group operated through a total of 64 branches in Cyprus, of which 4 operated as cash offices. The Bank of Cyprus Group employed 2,955 staff worldwide. At 30 September 2022, the Group's Total assets amounted to €26.2 bn and Total equity was €2.0 bn. The Bank of Cyprus Group comprises Bank of Cyprus Holdings Public Limited Company, its subsidiary Bank of Cyprus Public Company Limited and its subsidiaries.



Bank of Cyprus Holdings Public Limited Company (“**BOC Holdings**” and, together with its subsidiaries, the “**Group**”) is pleased to announce the completion of Project Helix 3.

Project Helix 3 (the “**Transaction**”) refers to the sale of a portfolio of loans with a gross book value of €555 mn¹ (of which €551 mn¹ relate to non-performing exposures), as well as real estate properties with a book value of €88 mn¹ to funds managed by Pacific Investment Management Company LLC, the agreement for which was announced on 15 November 2021.

Cash consideration of c.€350 mn was received by completion, reflecting adjustments resulting from, inter alia, loan repayments received on the Portfolio since the reference date of 31 May 2021.

Overall, the Transaction is capital accretive, with a net positive impact on the Group capital ratios of c.50 bps¹. As at 30 September 2022, the Group’s CET1 ratio and total capital ratio stood at 14.7% and 19.8% respectively, both pro forma for Helix 3.

The Transaction represents a further milestone in the delivery of one of the Group’s strategic priorities of improving asset quality through the reduction of NPEs. Project Helix 3 reduces the NPE ratio by 5 percentage points¹ from 9.3%¹ to 4.5%¹ (pro forma for Helix 3), delivering early the 2022 NPE ratio target of c.5%.

Overall, since the peak in 2014 and pro forma for Helix 3, the stock of NPEs has been reduced by €14.5 bn¹ or 97%¹ and the NPE ratio by over 58 percentage points¹, from 63% to less than 5%¹, on the same basis.

For further information, please contact Investor Relations at investors@bankofcyprus.com.

¹ Based on the Group Financial results for the nine months ended 30 September 2022