

Progress Report

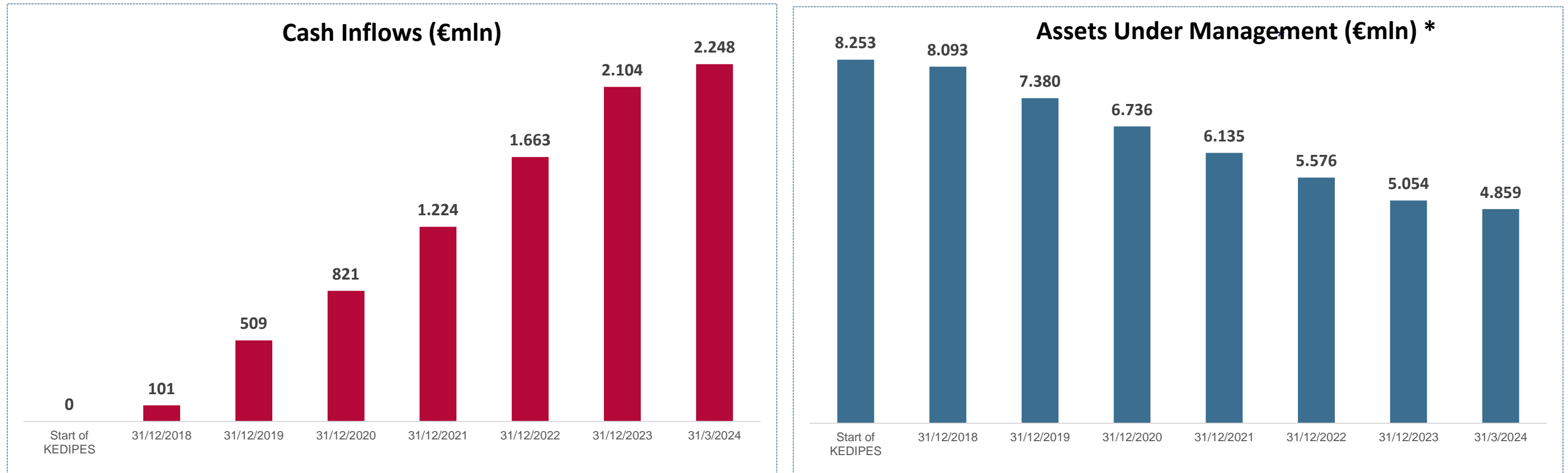
September 2018 – March 2024



June 2024

Progress Report
KEDIPES
to 31/03/24



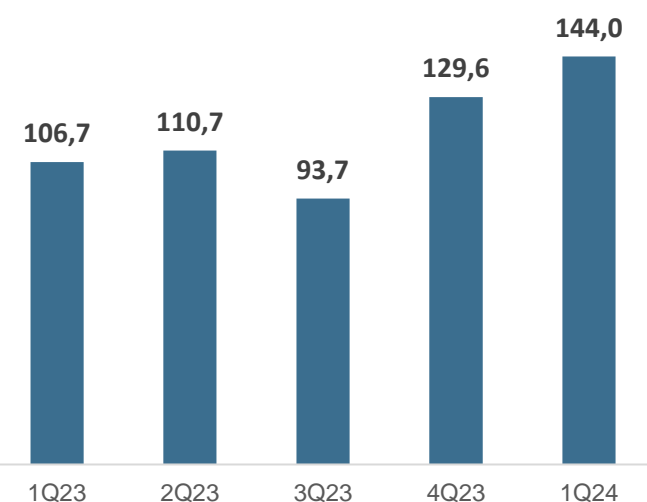


* Nominal assets under management excluding €1.568mIn loan interest which has not been recovered or written off.



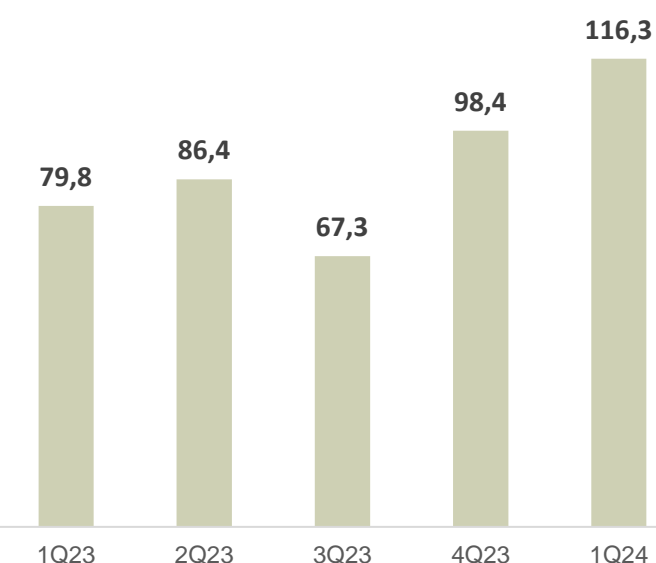
- From the beginning of its operations, KEDIPEs achieved **€2.248mIn** Cash Inflows, with a parallel deleverage of Assets Under Management by **€3.394mIn**.
- Total repayment to State Aid amounted to **€1.300mIn**, of which **€140mIn** in 2024.
- In addition to the repayments of State Aid in cash, property with value of **€130mIn**, will be transferred to the Government, while **€119,1mIn** was paid to Government Services mainly in the form of taxes and fees, including VAT. Payments for the settlement of liabilities amounted to **€283,2mIn**.
- As at the reporting date, **€1.544mIn** Restructuring Solutions and **€789,7mIn** Property Sales were implemented through doValue Cyprus Ltd.

Cash Inflows (€mln)



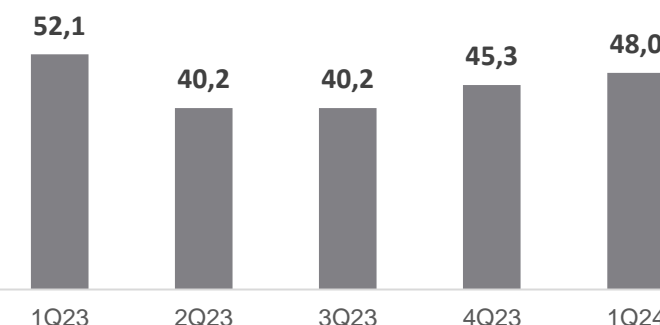
- Cash inflows in 1Q2024, reached €144,0mln, recording an increase of 11,1% compared to 4Q2023 and an increase of 34,9% compared to 1Q2023.
- Cash inflows in 1Q2024 include receipts from the completion of sale of a loan portfolio to BOC and receipts from the sale of a high value property.
- Further details can be found on [page 9](#).

Operating Cash Flows (€mln)



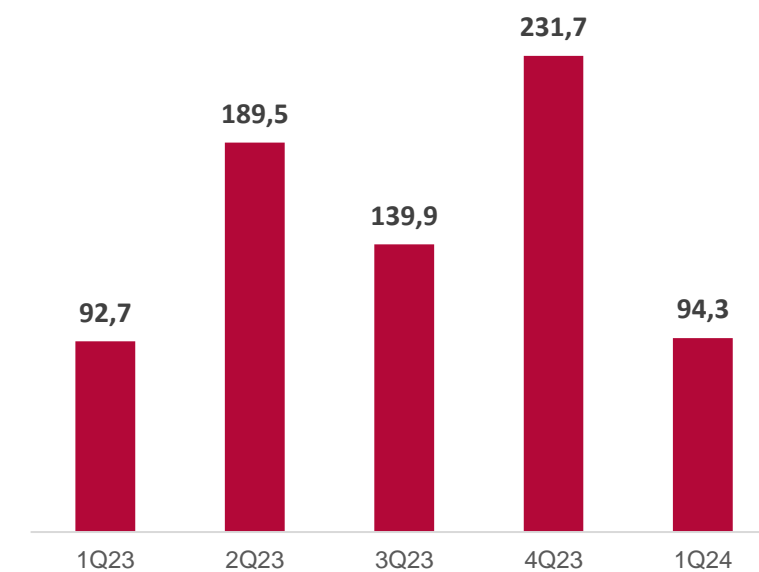
- Operating cash flows in 1Q2024 reached €116,3mln recording an increase of 18,2% compared to 4Q2023 and an increase of 45,8% compared to 1Q2023.
- Further details can be found on [page 11](#).

REO Sales (€mln)



- REO sales through doValue Cyprus Ltd in 1Q2024 reached €30,3mln, recording a decrease of 33,1% compared to 4Q2023 and a decrease of 41,8% compared to 1Q2023.
- In addition, a high value property in Limassol was sold resulting in total REO sales of €48,0mln.
- Further details can be found on [page 22](#).

Total Recovery Solutions (€mln)



- Total recovery solutions in 1Q2024 reached €94,3mln, recording a decrease of 59,3% compared to 4Q2023, and an increase of 1,8% compared to 1Q2023.
- From the start of KEDIPES operations, total recovery solutions amounted to €4.016mln or 54,5% of the initial nominal value of advances amounted to €7.371bln.
- Further details can be found on [page 15](#).

List of Commitments to DG Competition

KEDIPEs operates on the basis of the “List of Commitments” signed on 15/06/2018 between the Republic of Cyprus and the European Commission’s Directorate-General for Competition (<https://kedipes.com.cy/κεδιπεσ/κατάλογος-δεσμευσεων/>). Compliance with the commitments is monitored by the “Monitoring Trustee”, which is Baker Tilly. The below progress represents the latest progress evaluation of the Monitoring Trustee. Latest progress noted by KEDIPEs.

Commitment	Description of Commitment	Progress
10	All claims of CCB shareholders remain in the Residual Entity (RE) and cannot be transferred to Hellenic Bank (HB) at a later stage.	In compliance and evaluated on an ongoing basis.
11	In return for the state aid that was secured in the process of selling the assets and operations, the RoC must have a claim equal to the value of that aid. Deferrals in payments to finance the MTR not unreasonable.	In compliance and evaluated on an ongoing basis.
12	Sale of SEDIPES shareholding in the joint venture with doValue Cyprus Ltd. An independent expert will verify compatibility with market conditions.	Completed.
13	Surrender of the banking license or reduction in the scope of operations to the minimum necessary for the activities described in Commitment 14.	Completed.
14	The sole activity of the RE will be to manage the assets of the residual entity with the objective of divestment, liquidation or winding down in order to repay the state aid as quick as possible. Purchase and management of properties under the MTR permitted.	Completed.
15	The RE will not acquire a share in any company.	In compliance and evaluated on an ongoing basis.
16	The sole objective of the company is to maximise the recovery of assets as quickly as possible and in an appropriate way. The company will be run by people with specialist knowledge and international experience. It will be independent of the state which can give instructions only relating to the protection of taxpayers’ money and on maximising recovery of the state aid . Management will be granted performance-based remuneration.	Almost Completed – the recruitment of the new independent member of the Board of Directors is pending.
17	Success will be evaluated on a regular basis and strategic business plans adjusted accordingly	Completed.
18	Management of the assets will be done by a private Portfolio Servicing Company – either by a new company via a transparent, unconditional tendering process or by the existing provider, doValue Cyprus Ltd, where the terms of the agreement will be assessed by an independent expert. The Servicer’s remuneration will be performance-based. Servicing of MTR properties permitted.	Completed.
19	The RE retains the right to transfer the entire asset portfolio to any other state-owned asset management company, provided that the financial terms of the transfer do not call into question the assumption of the liability of the shareholders of the CCB.	In compliance and evaluated on an ongoing basis.
20	The terms listed in Commitments 13-19 also apply to the state-owned asset management company which could take over the portfolio of the RE.	In compliance and evaluated on an ongoing basis.

Strategic Actions

- Termination of banking operations and transformation into an asset management company since 01/09/2018. Transfer of assets from SEDIPES to KEDIPES in 4Q2022.
- Completion of the Transitional Agreement for the Provision of Services to Hellenic Bank (TSA).
- Completion of the financing and management of the initial Staff Voluntary Redundancy Scheme (€128,9mIn) and of the subsequent Schemes of 2021/22 which include the termination of employment relations with ex CCB employees who were transferred to doValue Cyprus Ltd (€13,5mIn). In addition, 27 employees departed through VRS Scheme that ended on 31 March 2024.
- Repayment of State Aid totaling €1.300mIn, of which €120mIn in 2019, €200mIn in 2020, €250mIn in 2021, €310mIn in 2022, €280mIn in 2023 and €140mIn in 1Q2024. Set aside €60mIn cash reserve for the financing of the Mortgage to Rent Scheme.
- Development and implementation of corporate governance framework and of new organisational structure.
- Completion of the sale of the participation in doValue Cyprus to doValue Spain for €4,5mIn in September 2020.
- Agreement with the State for the transfer of properties worth approx. €130mIn.
- Management of claims under the Asset Protection Scheme with Hellenic Bank.
- Revision of Business Plan targets full repayment of State Aid.
- Revision of the Service Level Agreement with doValue for the servicing of NPEs and Real Estate Assets.
- Signing of collective agreements with all trade Unions.

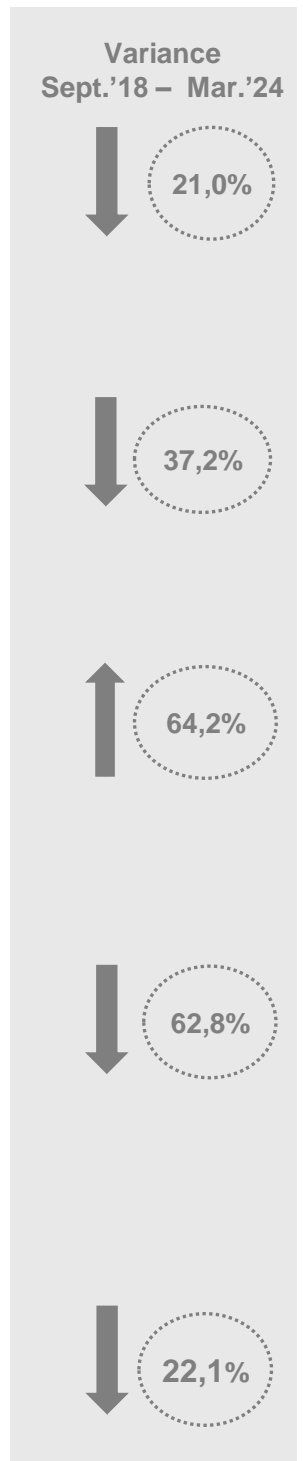
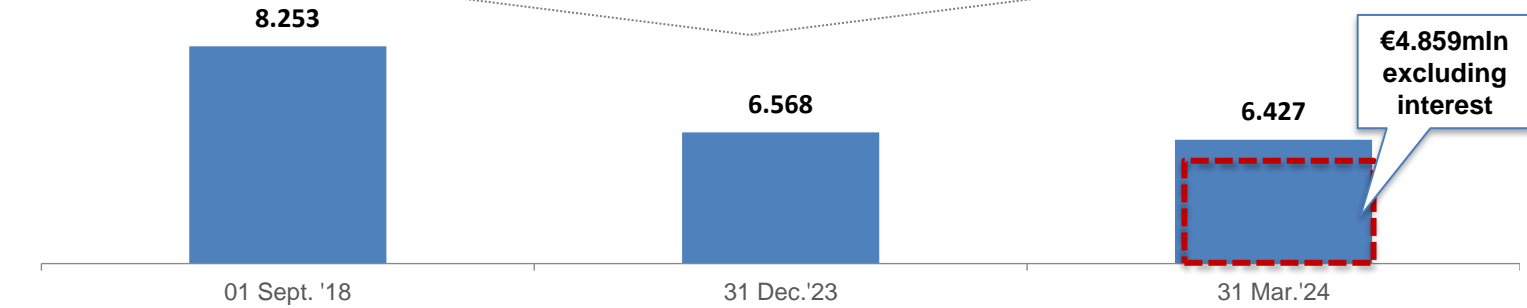
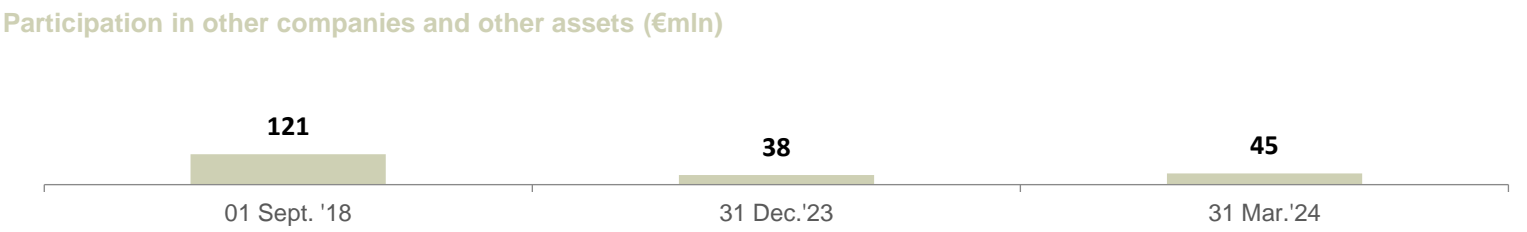
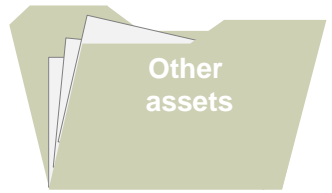
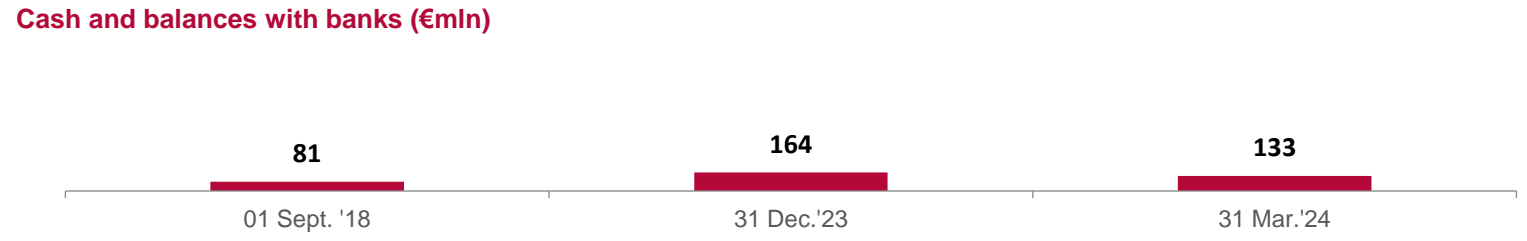
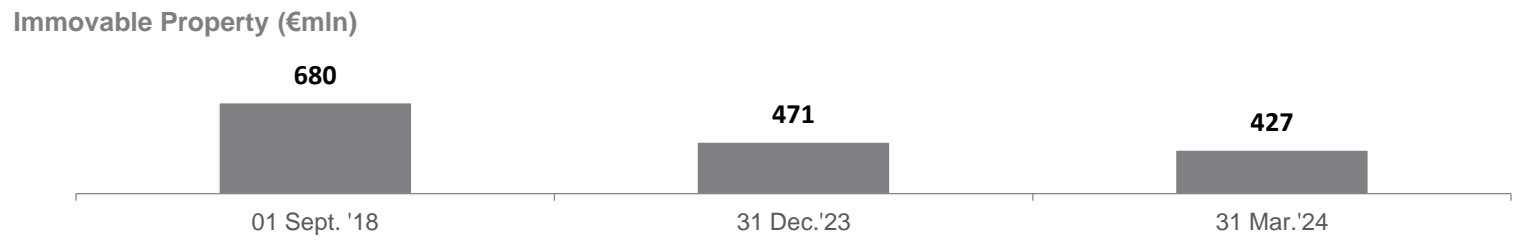
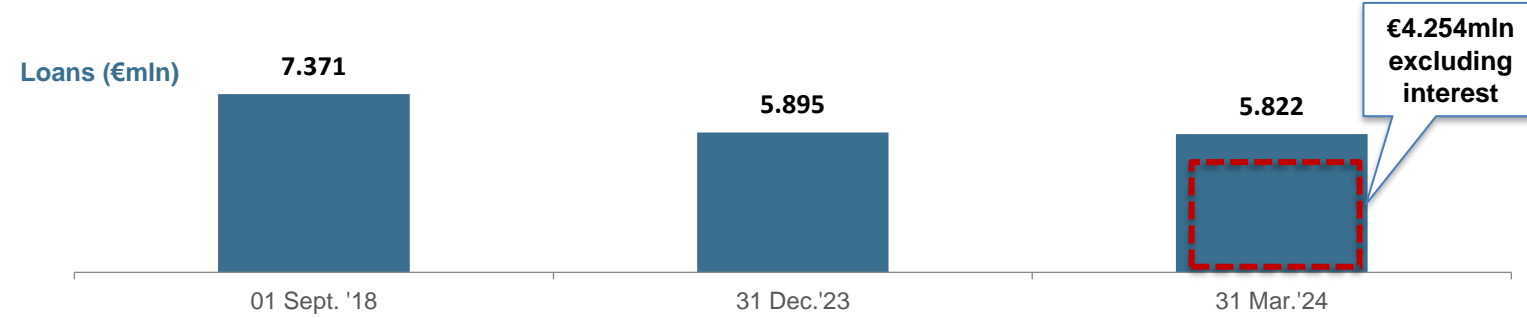
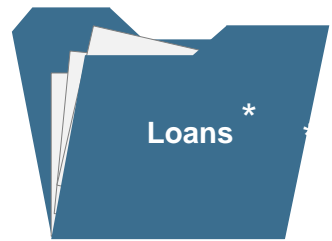
Challenges

- High interest rates continue to affect borrowers' repayment ability and properties market, albeit to a lesser extent than originally expected.
- Utilization of amended Foreclosure Framework.
- Management of loan portfolio secured by primary residences.
- Sale of loan portfolios and properties.
- Management of the Mortgage to Rent Scheme.
- APS Scheme.
- Management of operating expenses and asset level expenses.
- Management of staff costs.
- Technological upgrade.
- Improvement of data quality.

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to 31/03/24

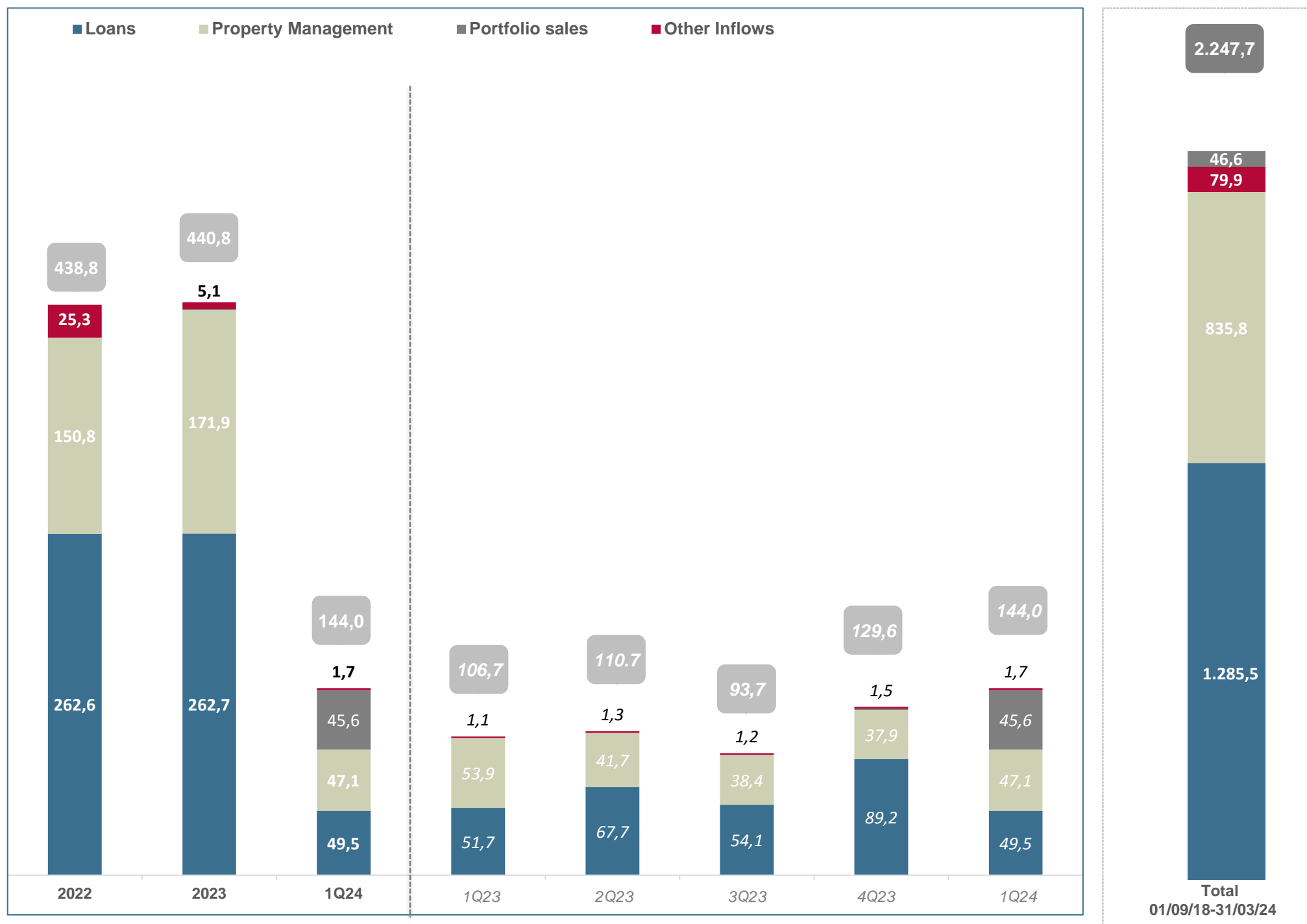


Assets under Management



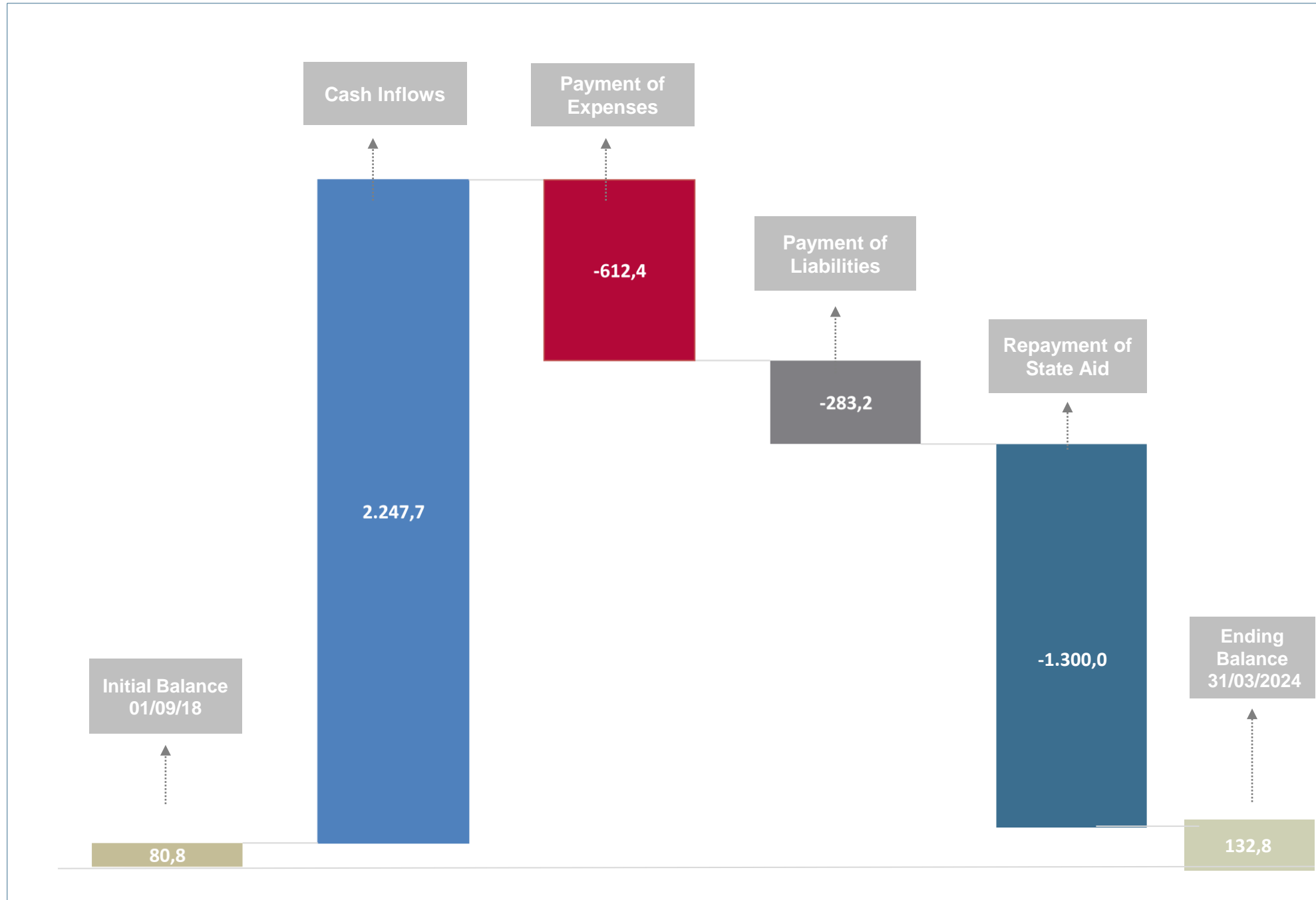
- Initial AuM, including loans at their nominal value, of €8.253mln.
 - AuM in 1Q2024 reached €6.427mln or €4.859mln excluding contractual interest.
 - Deleveraging of AUM achieved:
 - **22,1%** in nominal terms
 - **41,1%** excluding interest
 - The non-audited accounting value of assets as at 31/03/2024 is estimated at €2.534mln.
- * Does not include parked loans promised to be written-off of €525mln, as at 31/03/2024.*

Cash Inflows (€mln)



- Cumulative cash flows to 31/03/2024 reached €2.247,7mln.
- Cash inflows in 1Q2024 reached €144,0mln recording an increase of 11,1% compared to €129,6mln of 4Q2023 and an increase of 34,9% compared to €106,7mln of the corresponding quarter of 2023.
- Cumulative loan recoveries and disposal of real estate assets contribute 57% and 37% respectively, to total cash inflows.
- Cash inflows in 1Q2024 are significantly increased by the receipts from the completion of the sale of a loan portfolio to BOC.
- Cumulative other cash inflows totaling to €79,9mln relate mainly to income from services provided to doValue Cyprus Ltd within the framework of the reverse service agreement and cash inflows from the liquidation of other assets, including commercial coops.

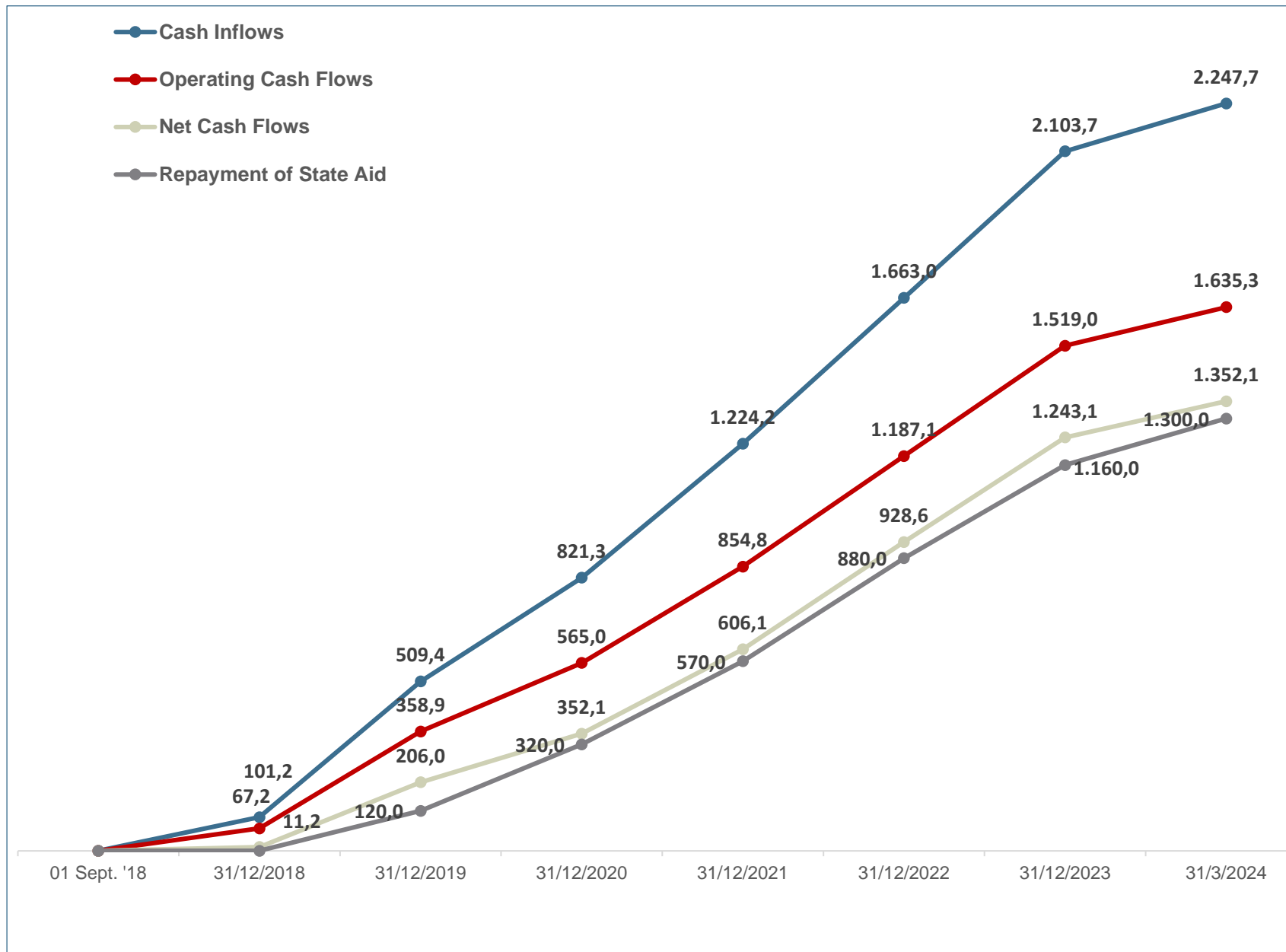
Cash Inflows and Outflows (€mln)



- Cash position of KEDIPES as at 31/03/2024 was €132,8mln.
- From the start of KEDIPES operations to 31/03/2024, main cash flows are as follows:
 - Cash inflows €2.247,7mln.
 - Payment of operating, servicing and asset management costs €612,4mln.
 - Payment of liabilities €283,2mln.
 - Repayment of the State Aid €1.300mln.

Cash Flows and Repayment of State Aid

Cash Flows 01/09/18 – 31/03/24 (€mIn)



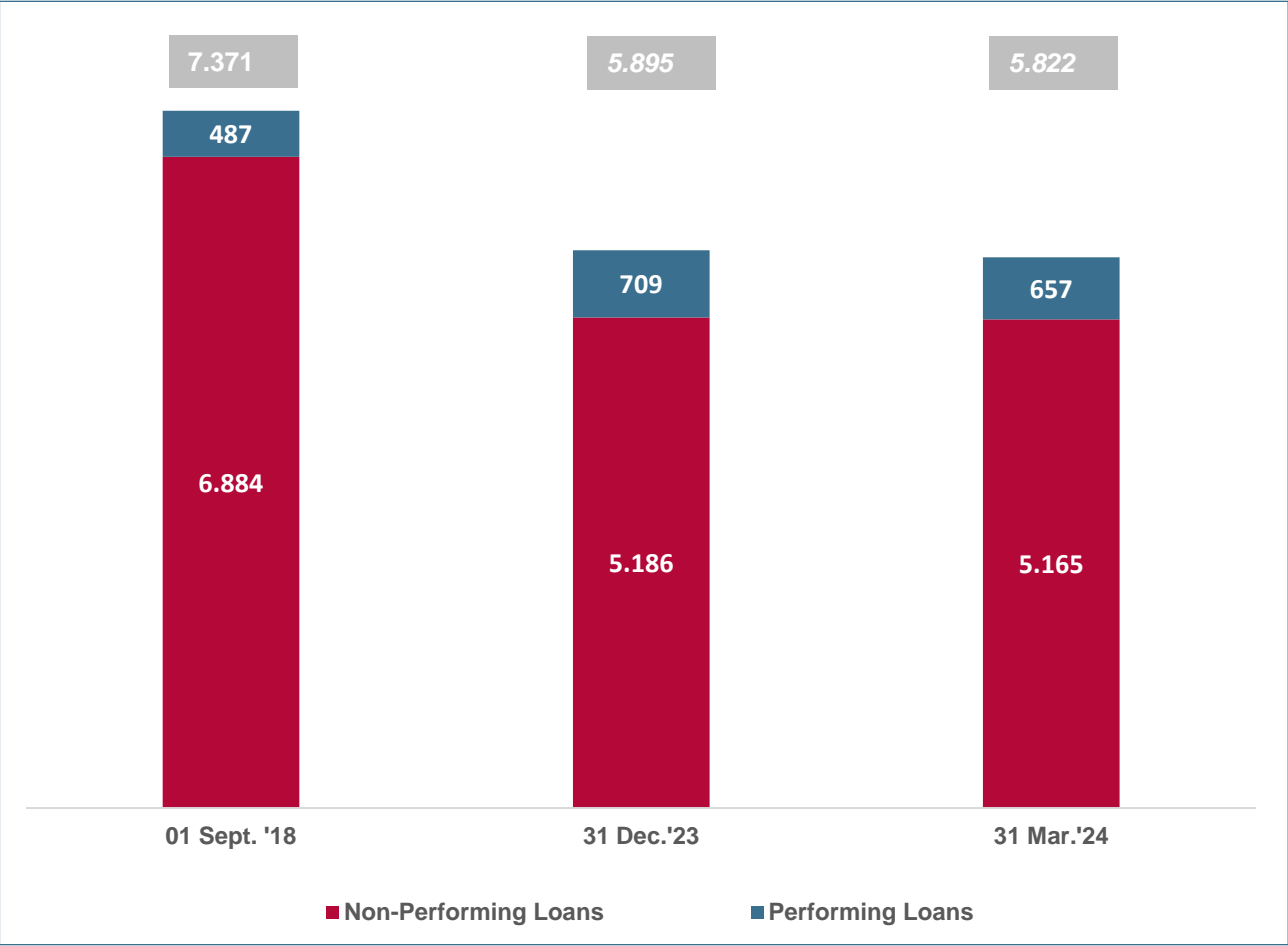
Repayment of State Aid

- The State Aid repayment is made on a quarterly basis, taking into account cash balances and medium-term obligations.
- Repayments to March 2024 totaled €1.300mIn as follows:
 - €120mIn in 2019
 - €200mIn in 2020
 - €250mIn in 2021
 - €310mIn in 2022
 - €280mIn in 2023
 - €140mIn in 1Q2024
- In addition to the cash repayments approximately:
 - €3,6mIn has been repaid in the form of transfer of art collections and write offs mainly relating to the Central Body of Equal Burden-sharing (Κεντρικός Φορέας Ισότητας Κατανομής Βαρών).
 - €130mIn will be repaid in the form of the transfer of property at market prices.

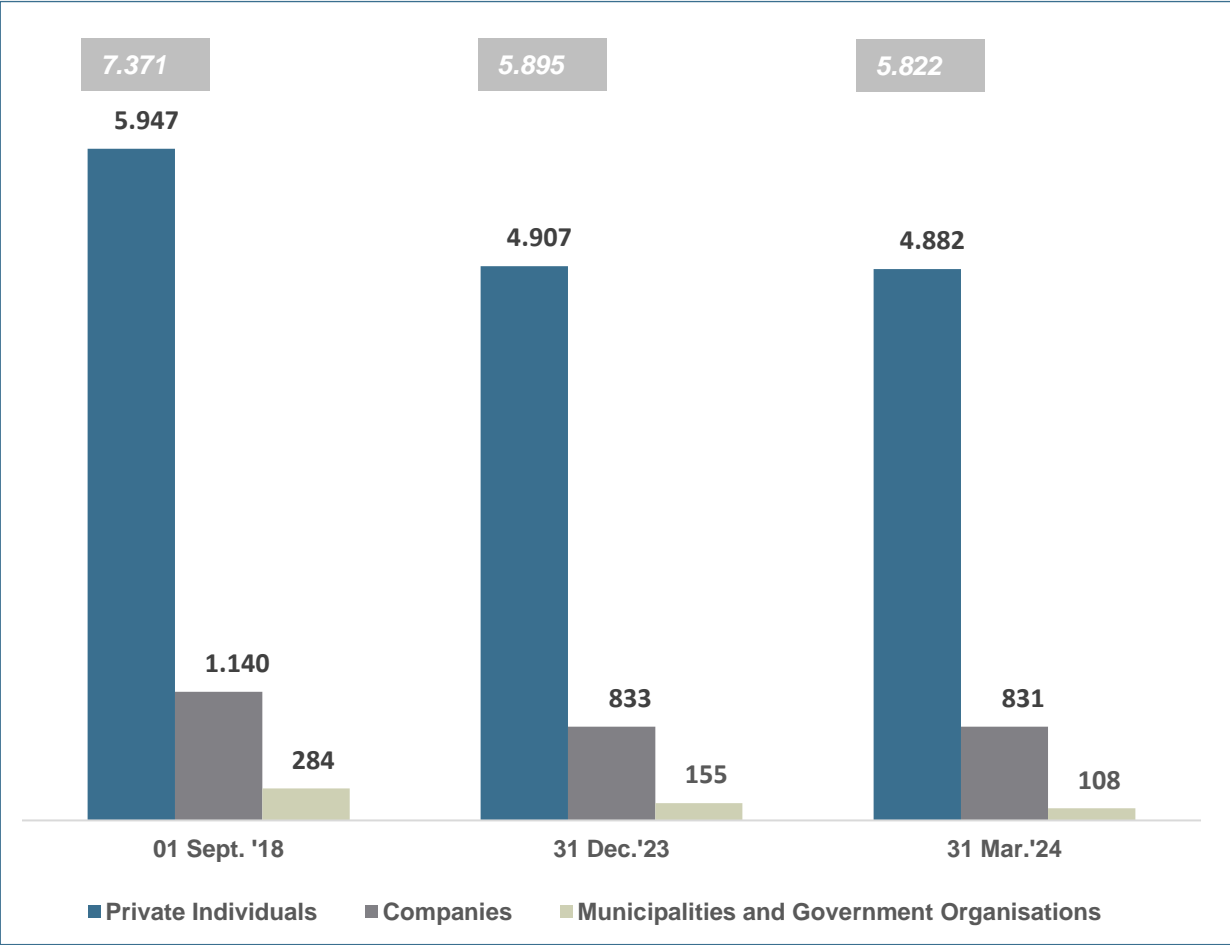
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Loan by Performance Status (€mIn)



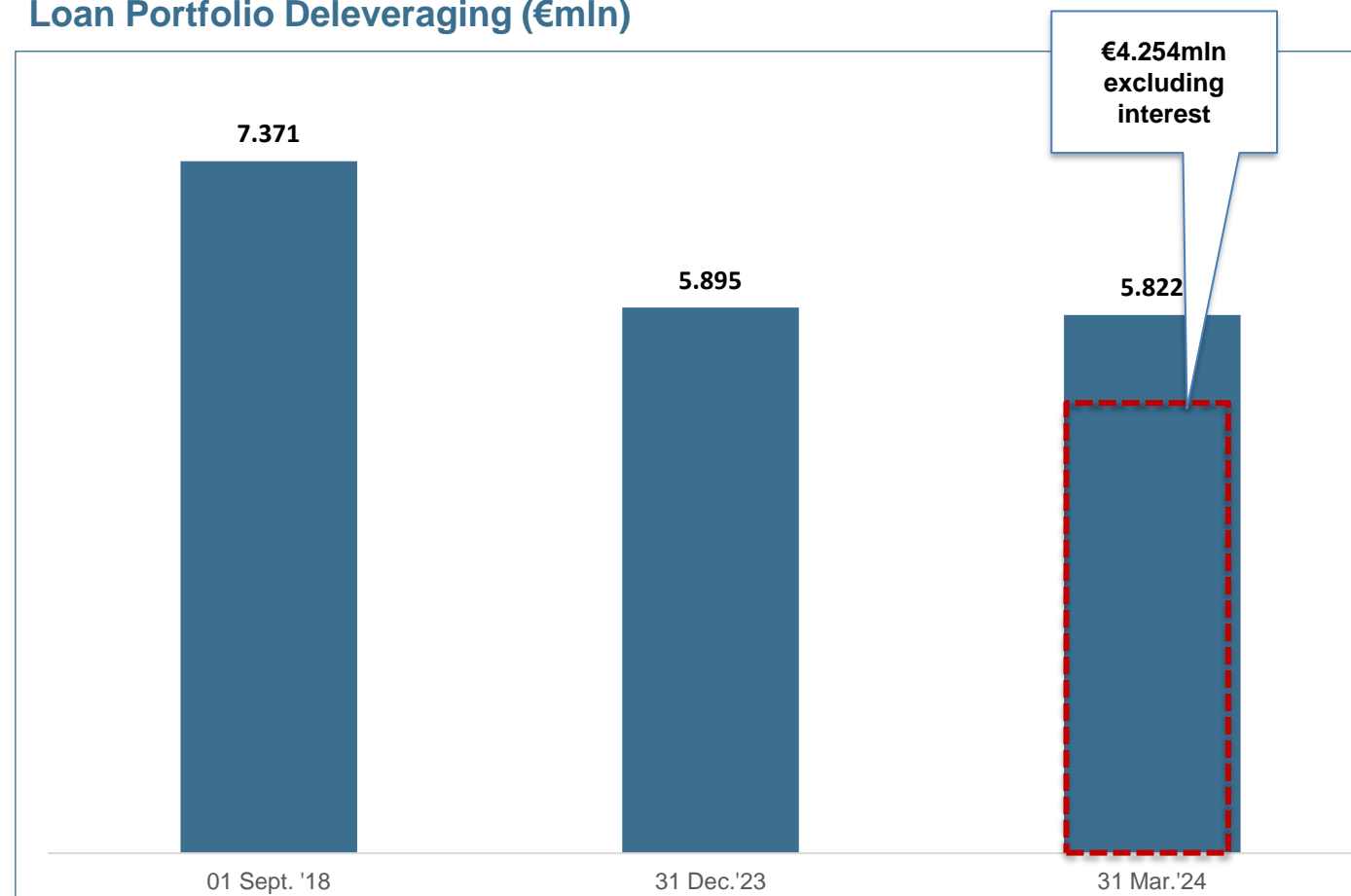
Loans by Institutional Sector (€mIn)



- Loans balances were €5.822mIn at 31 March 2024, recording a decrease of 1,2% and 21,0% from 31/12/2023 and the initial balance respectively. Total deleveraging since the start of operations excluding interest capitalization, is 42,3%.
- Loans to Municipalities and Government Organizations are decreasing gradually through regular (usually annual) instalments, with an overall cumulative reduction of 62,0%. At the same time, the reduction in loans to companies totals 27,0% whilst the reduction in loans to Private Individuals is 18,0%.
- The main focus of the KEDIPES business plan is the reduction of the non-performing portfolio through restructuring solutions or recovery solutions.

Loan Portfolio Deleveraging

Loan Portfolio Deleveraging (€mln)



Loan Portfolio Progress	€mln	+ / -
Opening Balance	7.371	
Recoveries	-1.922	-26,1%
<i>Cash Collections</i>	-1.286	-17,4%
<i>Value of properties on-boarded</i>	-636	-8,6%
Write-Offs (contractual)	-1.655	-22,5%
<i>Interest recovered or written off</i>	+512	+6,9%
Portfolio Sale	-52	-0,7%
Total Deleveraging	-3.117	-42,3%
Balance	4.254	-42,3%
<i>Interest not recovered or written off</i>	+1.568	+21,3%
Closing Balance 31/03/2024	5.822	-21,0%

• Loan portfolio recoveries from inception reached €1.922mln or 26,1% of the initial gross book value in the form of:

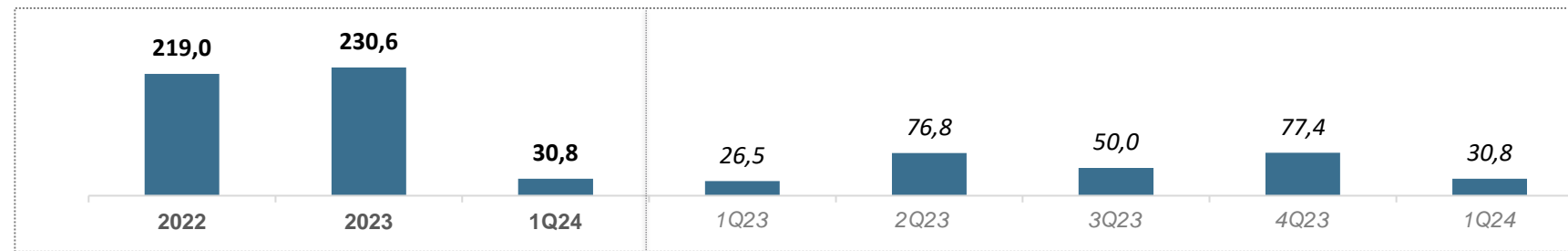
- ✓ Cash: €1.286mln or 17,4% of the initial gross book value
- ✓ Property: €636mln or 8,6% of the initial gross book value

In addition, there were write-offs totaling €1.655mln or 22,5% giving a total deleveraging of 42,3% before interest not recovered or written off.

Recovery Solutions via doValue Cyprus Ltd



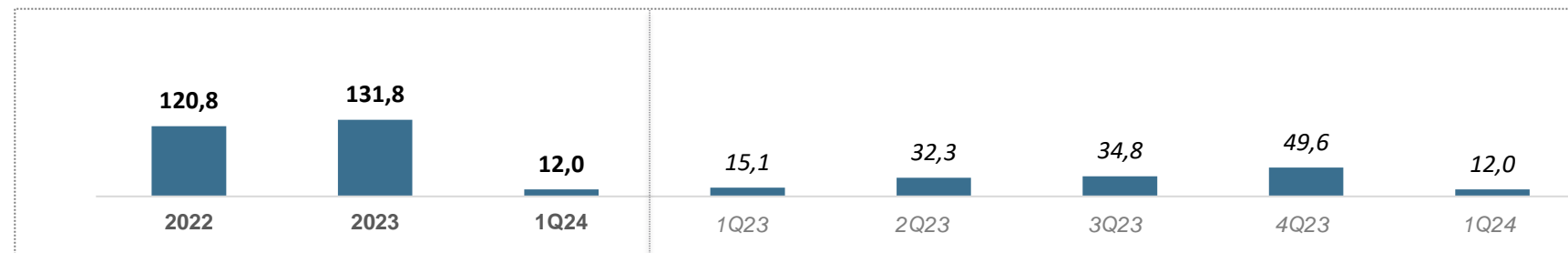
Restructurings



€1.544,0mln
(38,5%)



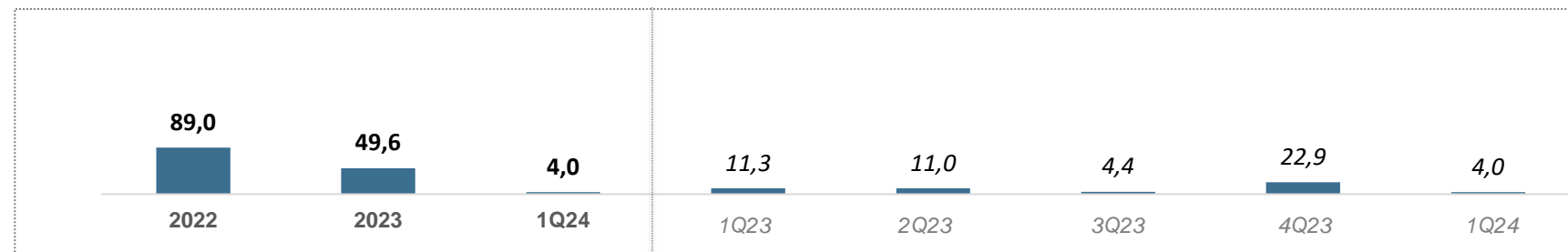
Debt-to-Asset Swaps



€1.061,3mln
(26,4%)



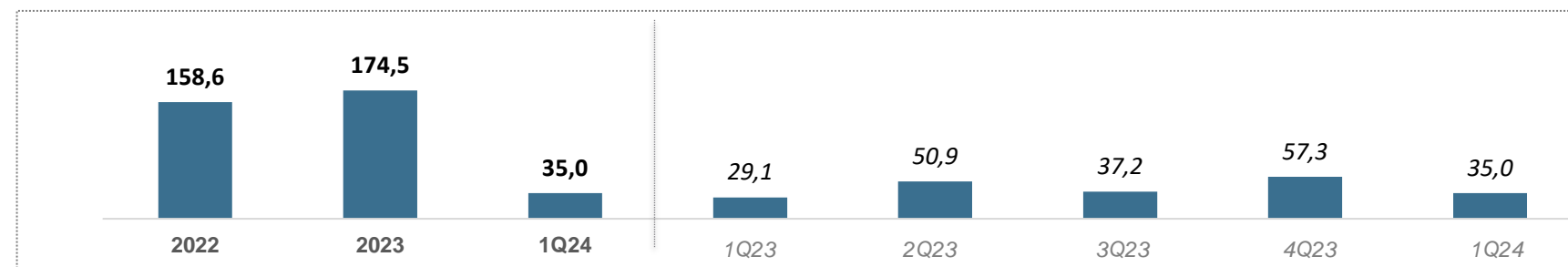
REO
Repossessions
following
unsuccessful
auctions



€275,1mln
(6,8%)



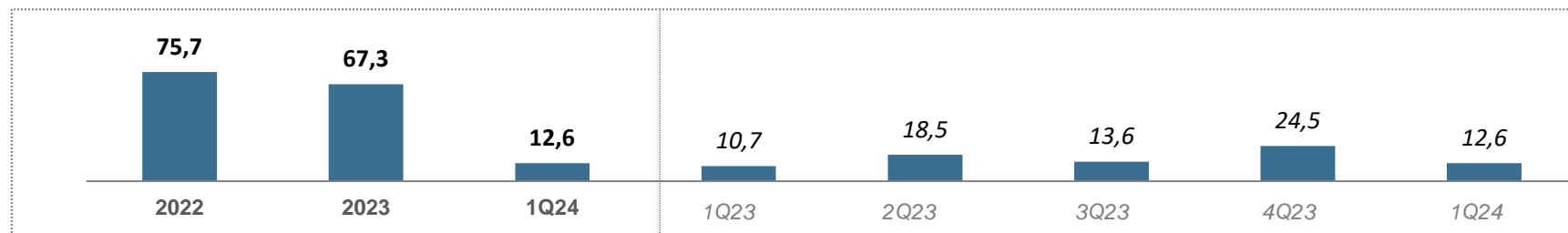
Full
Settlements



€844,9mln
(21,0%)



Cash
Collections on
Overdue Loans



€290,8mln
(7,3%)

Total

663mln

654mln

94mln

93mln

189mln

140mln

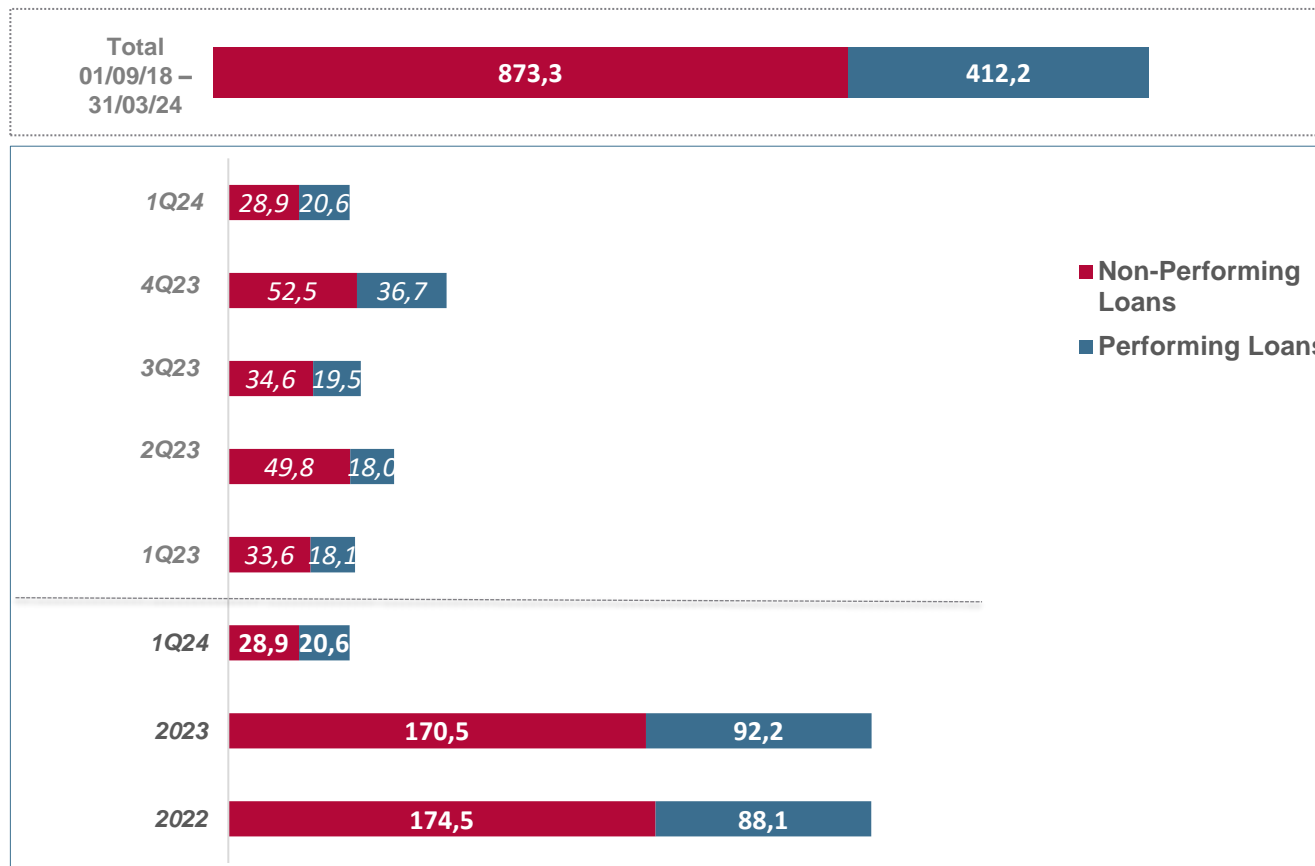
232mln

94mln

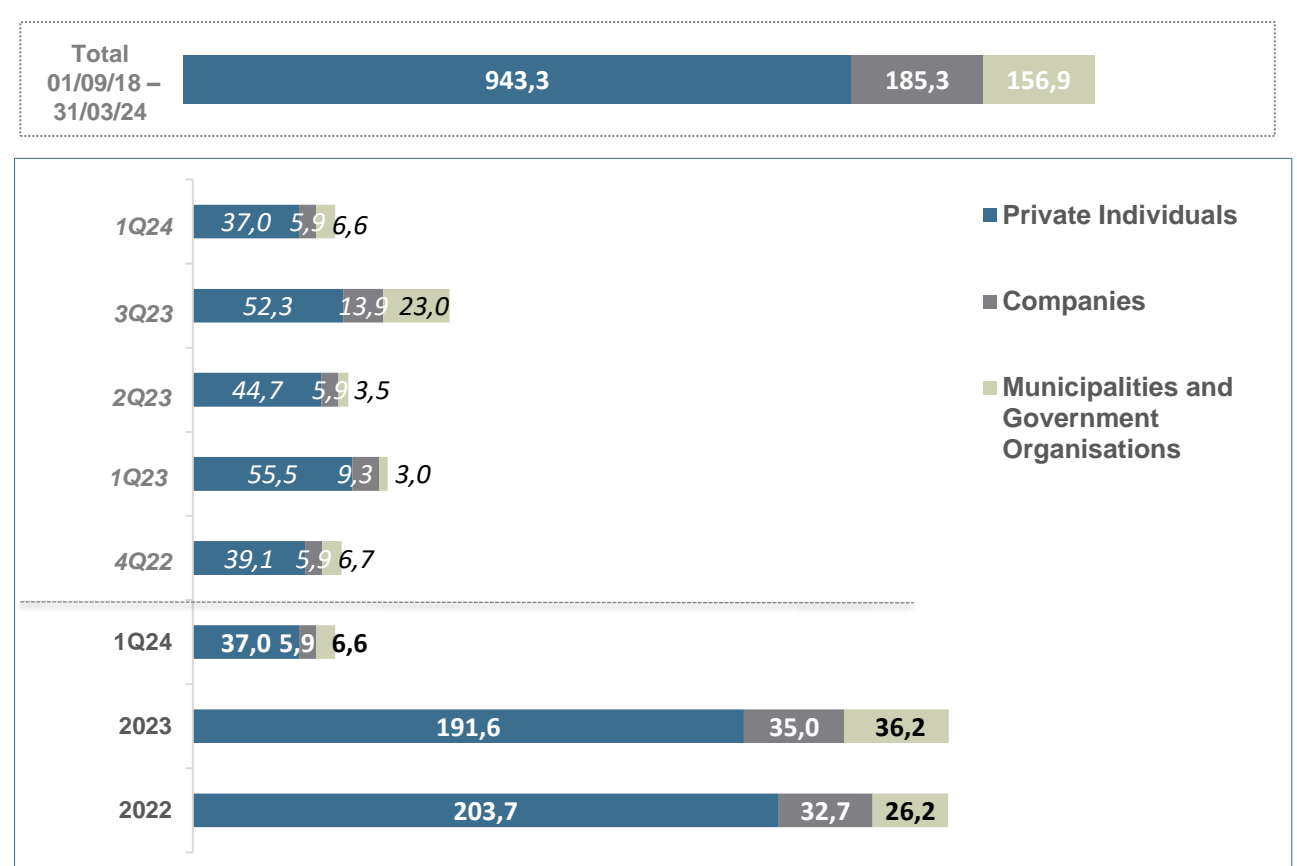
Total Solutions:
€4.016mln
(Nominal loan value basis)

Cash Inflows from Loans Management

Inflows by Performance Status (€mIn)



Inflows by Institutional Sector (€mIn)



- Inflows from loans in 1Q2024 reached €49,5mIn which compared to €89,2mIn in 4Q23 recorded a decrease of 44,5% and a decrease of 4,3% compared to €51,7mIn in 1Q2023.
- Restructuring or recovery solutions through the management company doValue Cyprus Ltd reached €94,3mIn during 1Q2024 compared to €231,7mIn of the previous quarter and €92,7mIn of 1Q2023, recording a decrease of 59,3% and an increase of 1,8% respectively.
- Total solutions since the start of operations amounted to €4.016mIn or 54,5% of the initial loans balance of €7.371bln. These solutions lead to direct, or in the case of real estate onboarded, indirect cash flows.



ESTIA Scheme

Main Eligibility Criteria for the Scheme

- ❖ Credit facilities secured by mortgage on primary residence with a market value not exceeding €350,000
- ❖ At least 20% of the borrower's total lending exceeds 90 days in arrears. Loans restructured after 30 September 2017 are not eligible
- ❖ Total gross annual income does not exceed €20,000 for single people and €60,000 for a family with at least 4 dependent children
- ❖ The household's net assets, excluding primary residence, should not exceed 80% of the Open Market Value of the primary residence. This total value may not in any case exceed €250,000

State Support

- ❖ Subsidy of 1/3 of the instalment by the Government where the above criteria are met in full
- ❖ The budget was approved by Parliament in January 2019
- ❖ In effect from 2 September 2019
- ❖ The Scheme will be valid for the entire duration of each loan

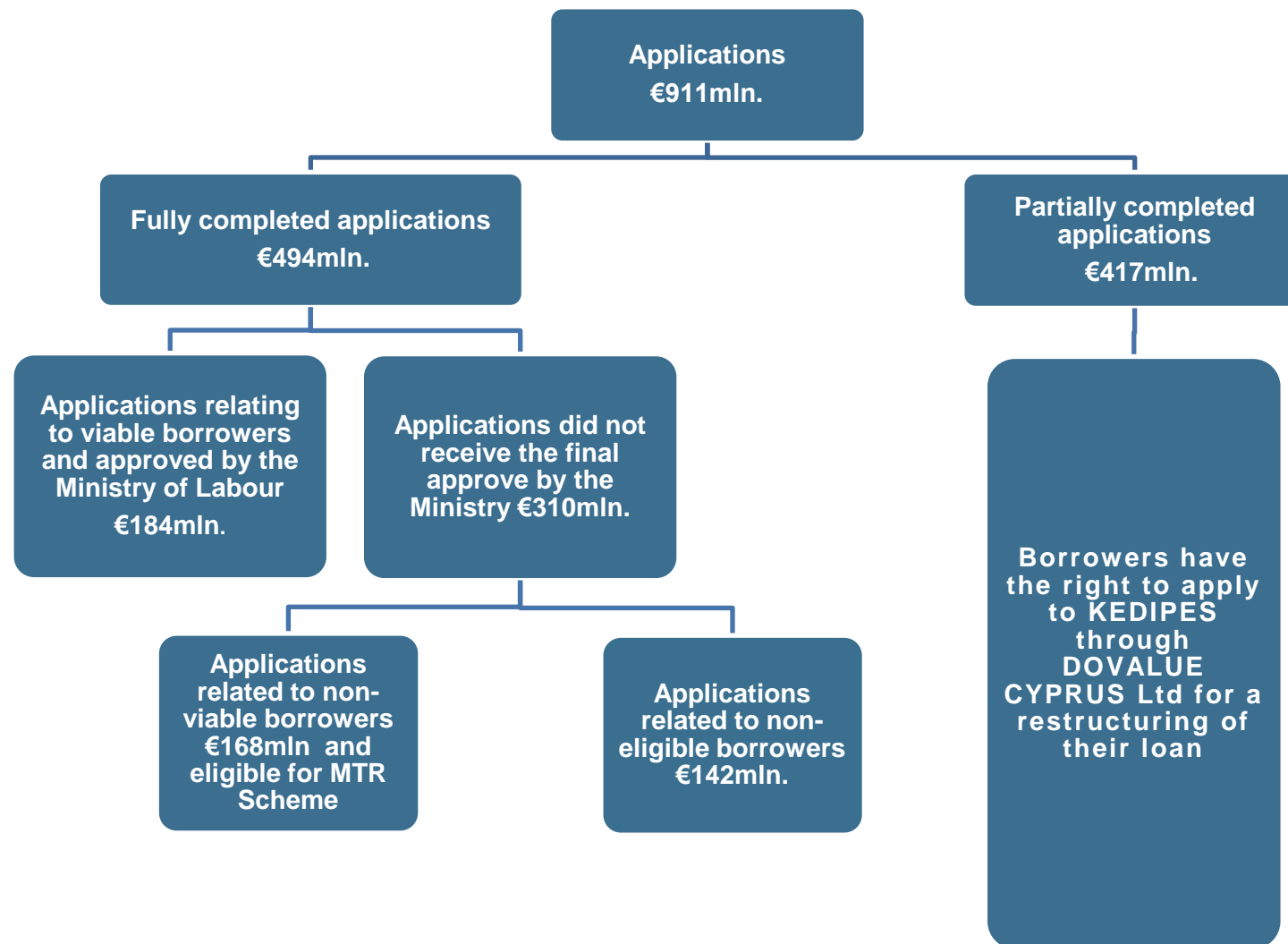
KEDIPES Portfolio as at 31/03/2024

➤ Applications remaining to the Estia Scheme corresponding to a total of 3.214 accounts amounting to €911mln

➤ Fully completed applications corresponding to a total of 1.855 accounts amounting to €494mln

➤ 852 applications amounting to € 310mln that did not receive the final approval by the Ministry, of which 480 applications amounting €168mln are related to non-viable borrowers eligible for MTR Scheme and 372 applications amounting €142mln are related to non-eligible borrowers.

➤ Applications approved by the Ministry until 31/03/2024 correspond to 781 accounts amounting €184mln (includes amounts that will be written off within the framework of Estia)



Expansion of KEDIPES mandate	<ul style="list-style-type: none">• Following approval by the DG-Comp the scheme has been approved by the Cabinet of Ministers on 12 July 2023.• The implementation of the scheme by KEDIPES is now feasible following amendments to the Commitments which:<ul style="list-style-type: none">• Allow KEDIPES to acquire and manage primary residences other than its own portfolio.• Allow delay of payments to the State so as to pay for the acquisition of the primary residences and Scheme expenses.
Applications	<ul style="list-style-type: none">• Implementation of the scheme has already commenced since December 2023.• Almost all banks and CACs have agreed to be included as participants.• Until 7/6/2024 2.003 applications have been received of which 681 relate to KEDIPES' own portfolio.• Around 72% of applicants (1.382 out of 1.275 screened applications) have passed the initial screening (compliance with scheme criteria) and will be subjected to more detailed technical and legal due diligence to confirm eligibility and facilitate next steps, as per scheme rules.

Main Parameters

The main parameters of the Scheme are:

- Scheme relates to non-performing loans collateralized by primary residence with Market Value up to €250K.
- Eligible beneficiaries should be physical persons, recipients of certain social welfare benefits. Scheme will also cover ESTIA and OIKIA applicants (involving PPR cases with OMV < €350K) who were otherwise eligible but rejected due to non-viability and those who no longer meet obligations of the scheme (i.e have defaulted). Based on a decision of the Council of Ministers dated April 3, 2024, beneficiaries have expanded with two new, smaller categories within the accepted applications related to the Estia Scheme: (i) borrowers whose creditor did not participate in the Estia Scheme and (ii) approved applicants in the Estia Scheme, whose approval was not implemented due to the inability of the property owners to pay the "memo" on properties.
- Properties are subjected to technical due diligence and valuation.
- KEDIPES acquires the primary residence and pays to the participant (Bank or Credit Acquiring Company) 65% of market value.
- The participant writes-off the remaining part of the mortgage loan after the deduction of the property's purchase price, to the extent not covered by other collaterals.
- Initially Memos on the primary residence are removed within predetermined rates.
- State will cover the rental payments as 65% of Market Rent.
- The owner becomes tenant with 14 years tenancy agreement or tenancy for life if the tenant's age is over 65.
- Tenant has a buy-back option during the 14 years tenancy agreement after the 5th year and until the 14th year, at a predetermined repurchase price. The purchase price takes into consideration several parameters (including changes in market values, expenses and rent paid) and remains attractive.

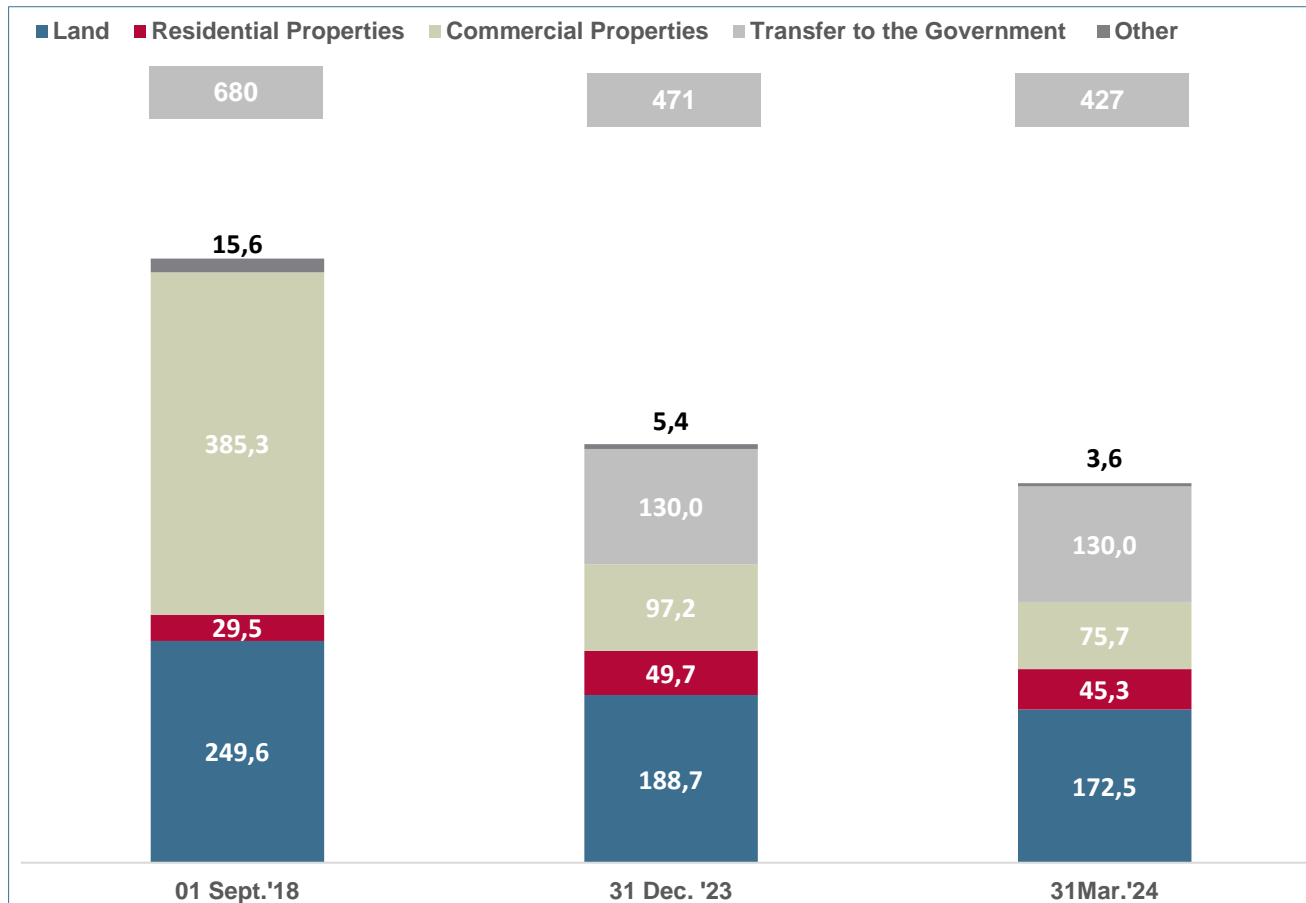
Estimate of Financial Impact

	Acquire Properties From Banks/ CACs	Own Loans
Potential Perimeter	1.250 primary residences	1.250 primary residences
Scenario - Applied and Approved	400 primary residences Market value €90mln	400 primary residences Market value €90mln
Cash Outflows	Acquisition: €90mln at 65%= €58,5mln Repairs €13,5mln	Debt to Asset Swaps Repairs €13,5mln Memo removals €9mln
Financing / State Aid	€60mln cash already set aside	-
Yearly cash Flows	Rental income €2,6mln Expenses €1,9mln	Rental income €2,6mln Expenses €1,9mln
Return for KEDIPEs	2%	2%

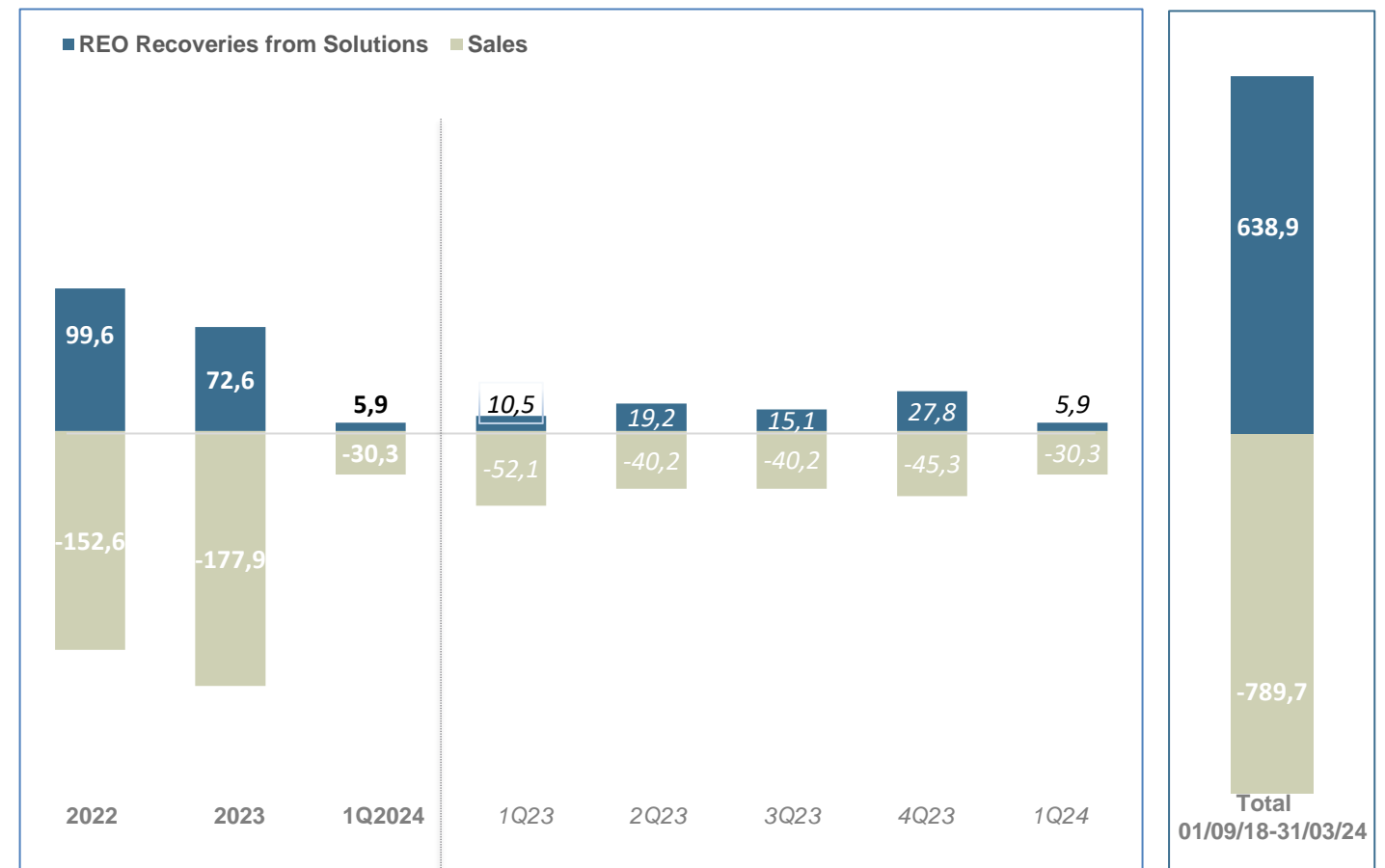
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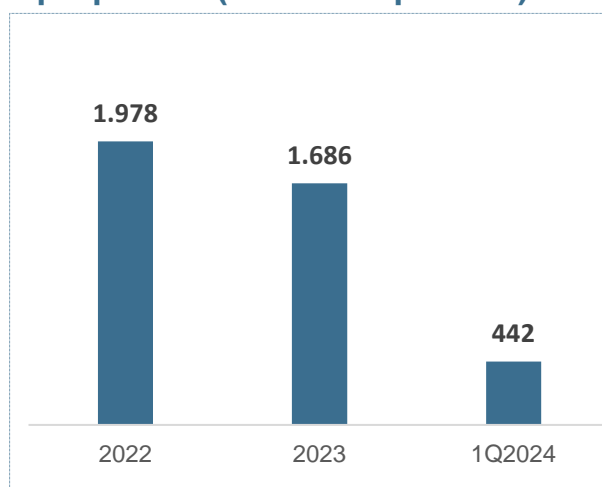
Property Portfolio by Sector (€mIn)



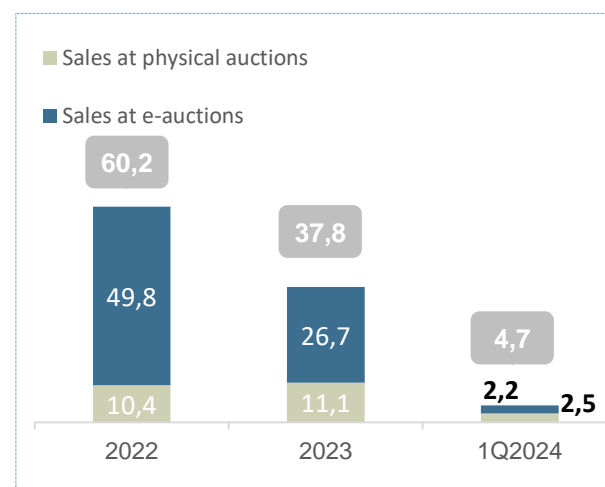
Property Recoveries and Sales (€mIn)



Auctions of mortgaged properties (No. of Properties)

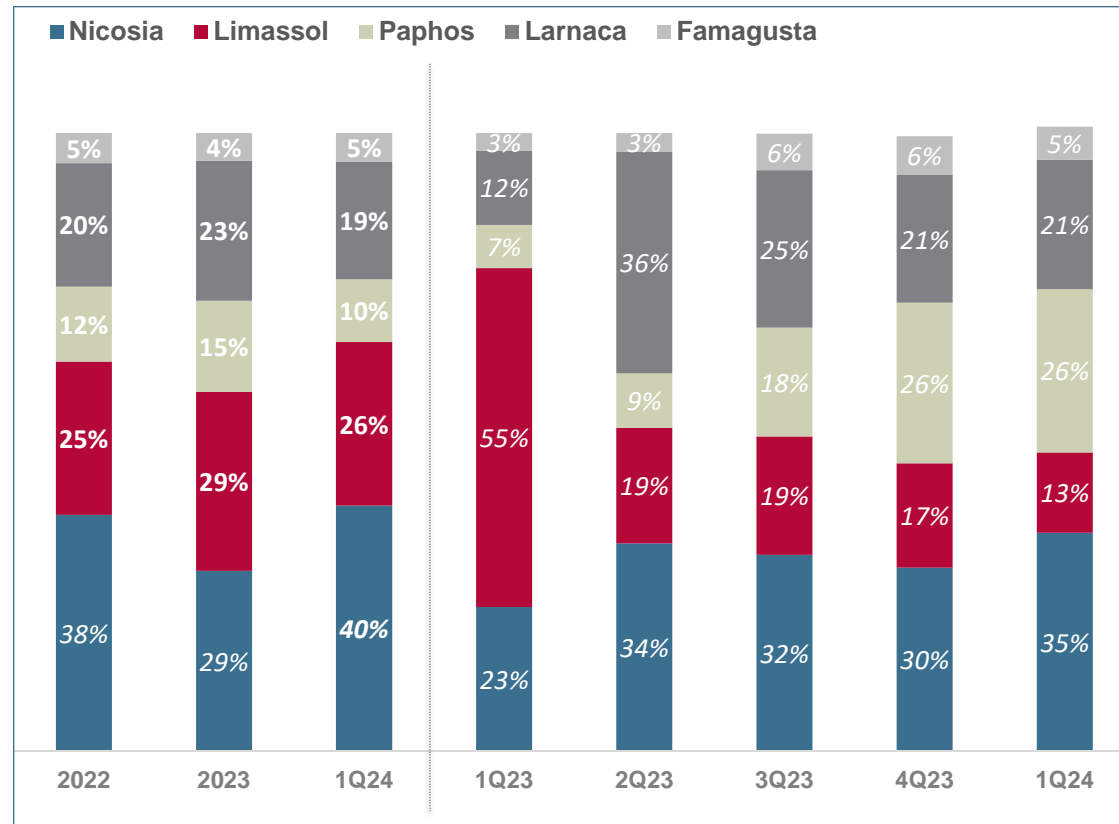


Auctions Results (€mIn)

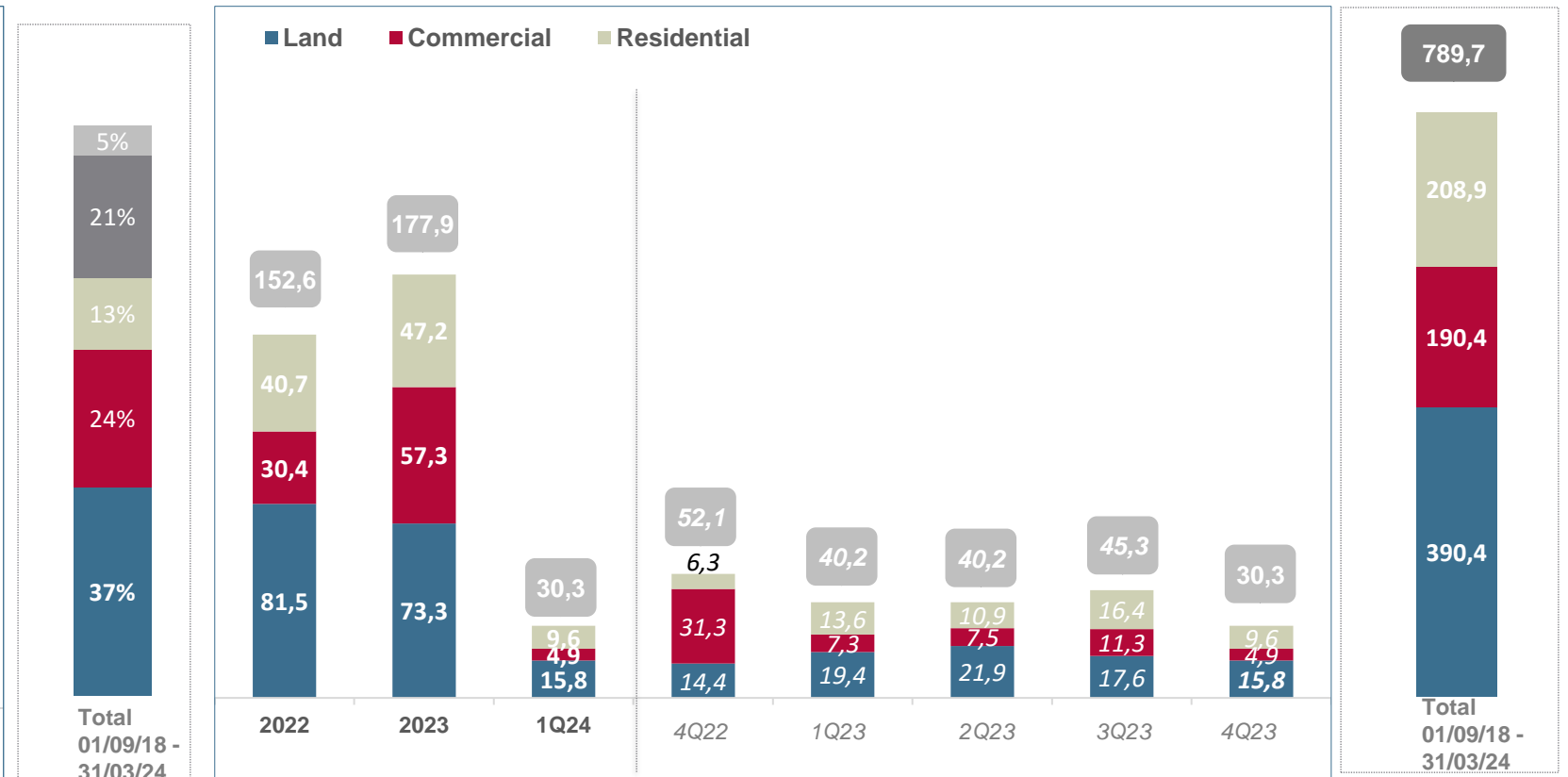


- Real estate sales amounted to €789,7mIn of which €30,3mIn were completed in 1Q2024.
- Debt to Asset Swaps (DTAs) totaled €638,9mIn, of which €5,9mIn were completed in 1Q24. Properties with onboarding value of €163,9mIn relate to repossessed properties after unsuccessful auctions, of which €2,2mIn were completed in 1Q2024.
- Total Auctions of 7.241 properties with market value of €808,8mIn were carried out since inception. Property sales through auctions reached 726 properties with market value €41,5mIn, of which 80 properties with market value of €2,7mIn were completed in 1Q2024.
- Real estate worth approximately €130mIn has been excluded from the available for sale perimeter and is evaluated to be transferred to the State as repayment of the State Aid.

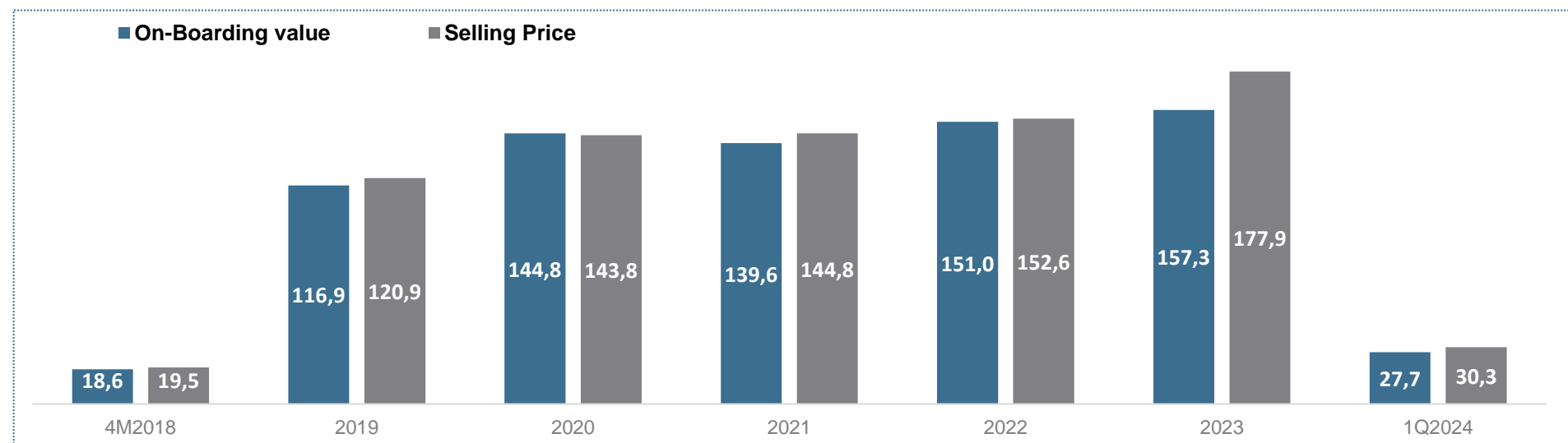
Property Sales by Region (%)



Property Sales by Sector (€mln)



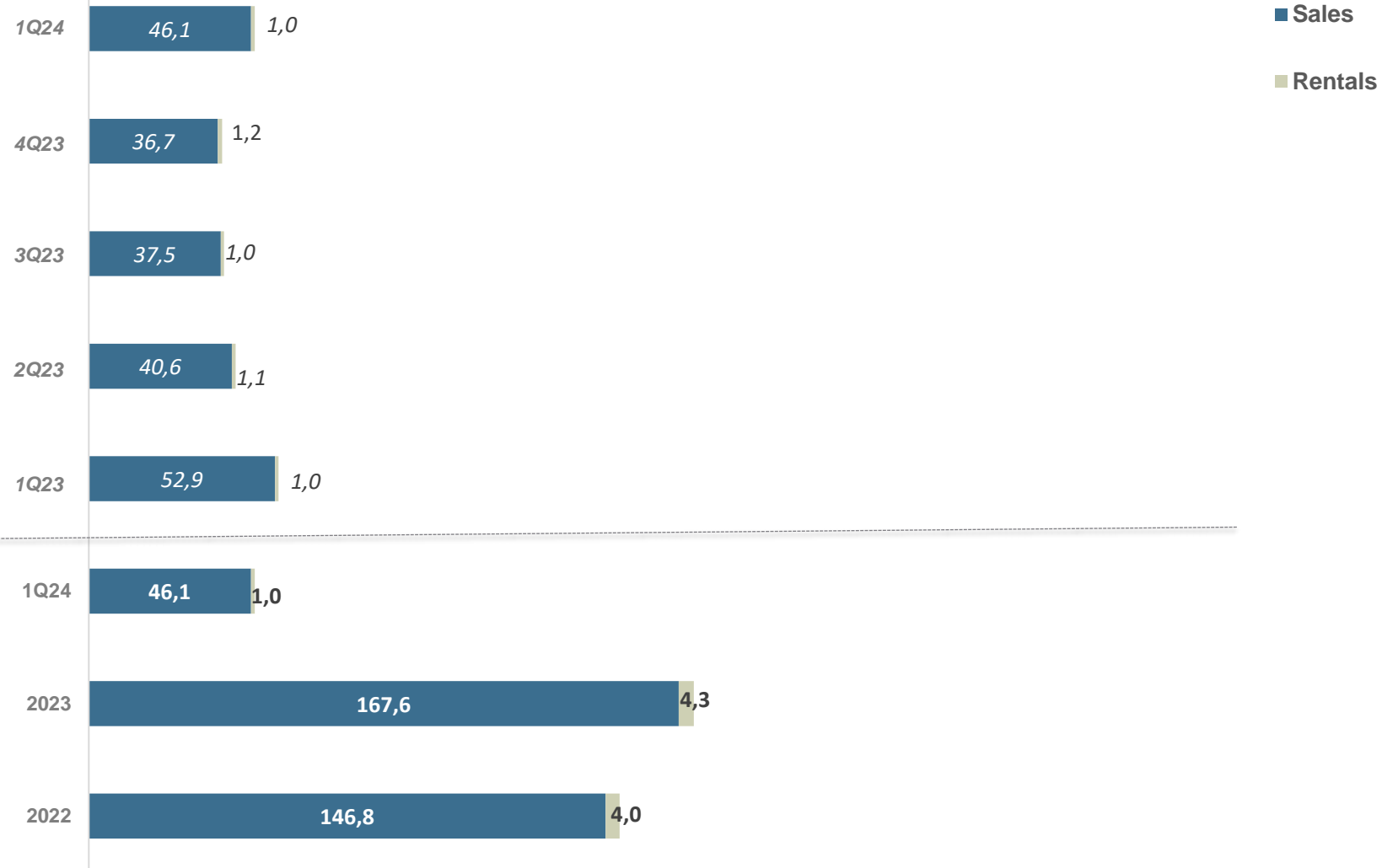
Sales Price versus On-Boarding (€mln)



- Average selling price from 01/09/18 to 31/03/23 is increased by 4,5% from the on-boarding value adjusted with revaluations.
- A total of 2.591 properties amounting to €265,7mln were sold within 1 year of their recovery, indicating strong investment interest in the market, with the exception of the period March – May 2020 due to the pandemic.

Cash Inflows from Property Management

Inflows from Property Management

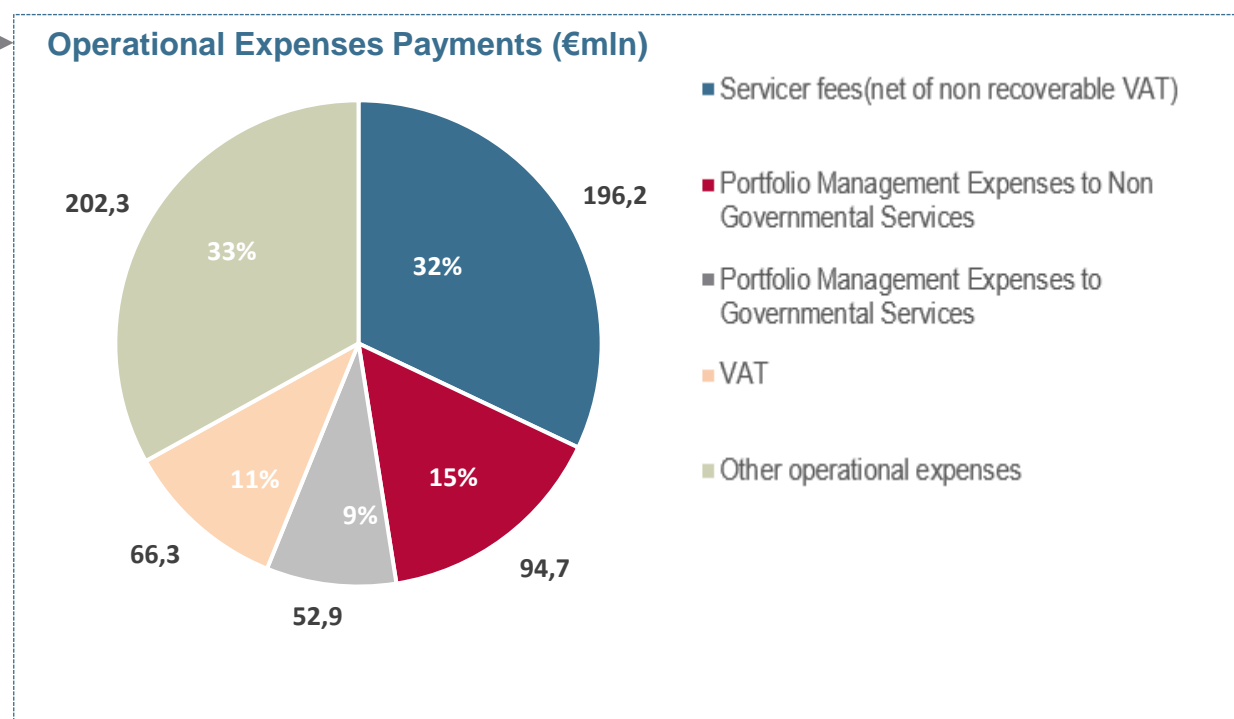
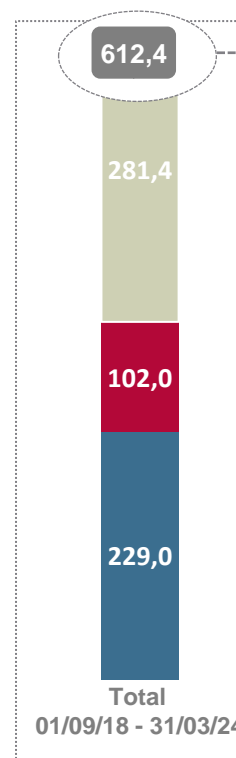
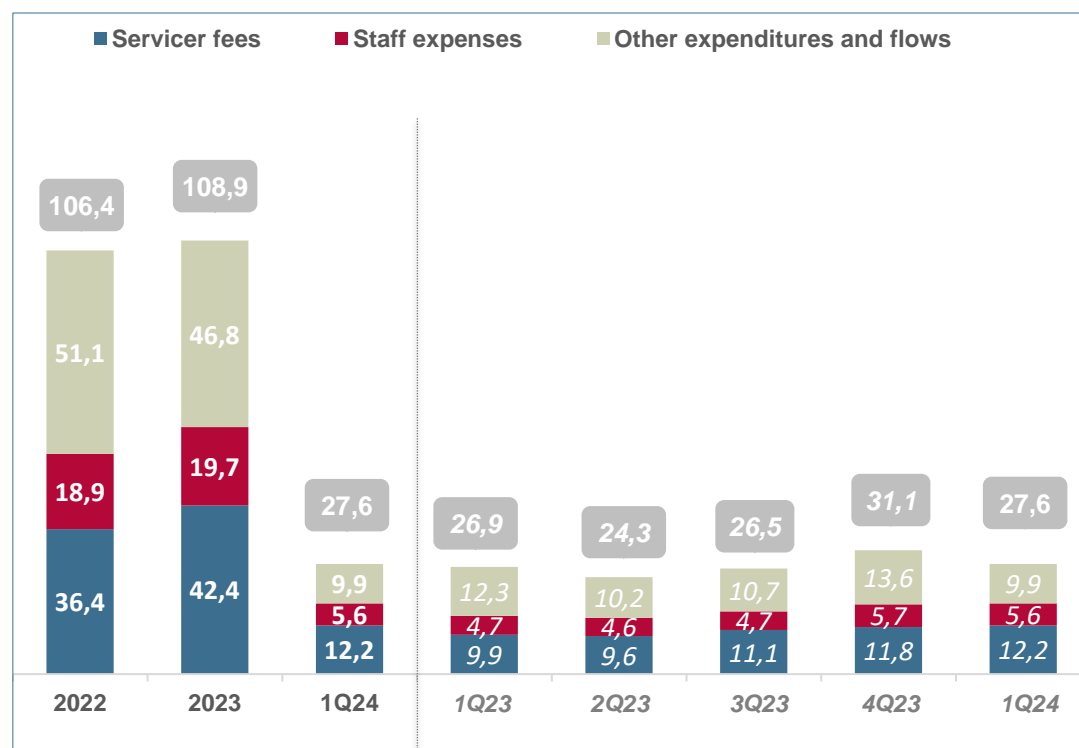


- Cumulative collections from real estate sales through doValue Cyprus Ltd until 31/03/2024 reached €810,2m and cumulative collections from rentals reached €25,5m.
- Collections from sales in 1Q2024 reached €46,1m indicating an increase of 25,6% compared to previous quarter and a decrease of 12,8% compared to the corresponding quarter of the previous year. It is noted that 1Q2023 sales are increased due to the sale of specific high value properties.
- Rental income in 1Q2024 reached €1,0m, recording a decrease of 16,5% compared to the previous quarter and remained at the same level compared to the corresponding quarter of the previous year.
- It is noted that the sale of a property is not pursued where there is a decision by the Council of Ministers for its acquisition by the State for use by Government services or local authorities.

Progress Report
KEDIPES
to 31/03/24



Operational Expenses (€mIn)



Servicer Expenses

Under the Service Level Agreement with doValue Cyprus Ltd for the management of loans of more than 90 days past due, as well as the sale/rental of properties, a total of €229,0mIn (including non-recoverable VAT) has been paid up to 31/03/2024. The fee comprises a fixed element and a variable element which is based on the restructuring or recovery solutions implemented and on the receipts from property sales and rentals.

Staff Expenses

KEDIPEs cumulative staff costs to 31/03/2024 amounted to €102,0mIn. After the completion of the VRS Scheme, which ended 31 March 2024, and the voluntary departure of 27 employees the number of KEDIPEs staff as at 31/03/2024, totaled 312 people.

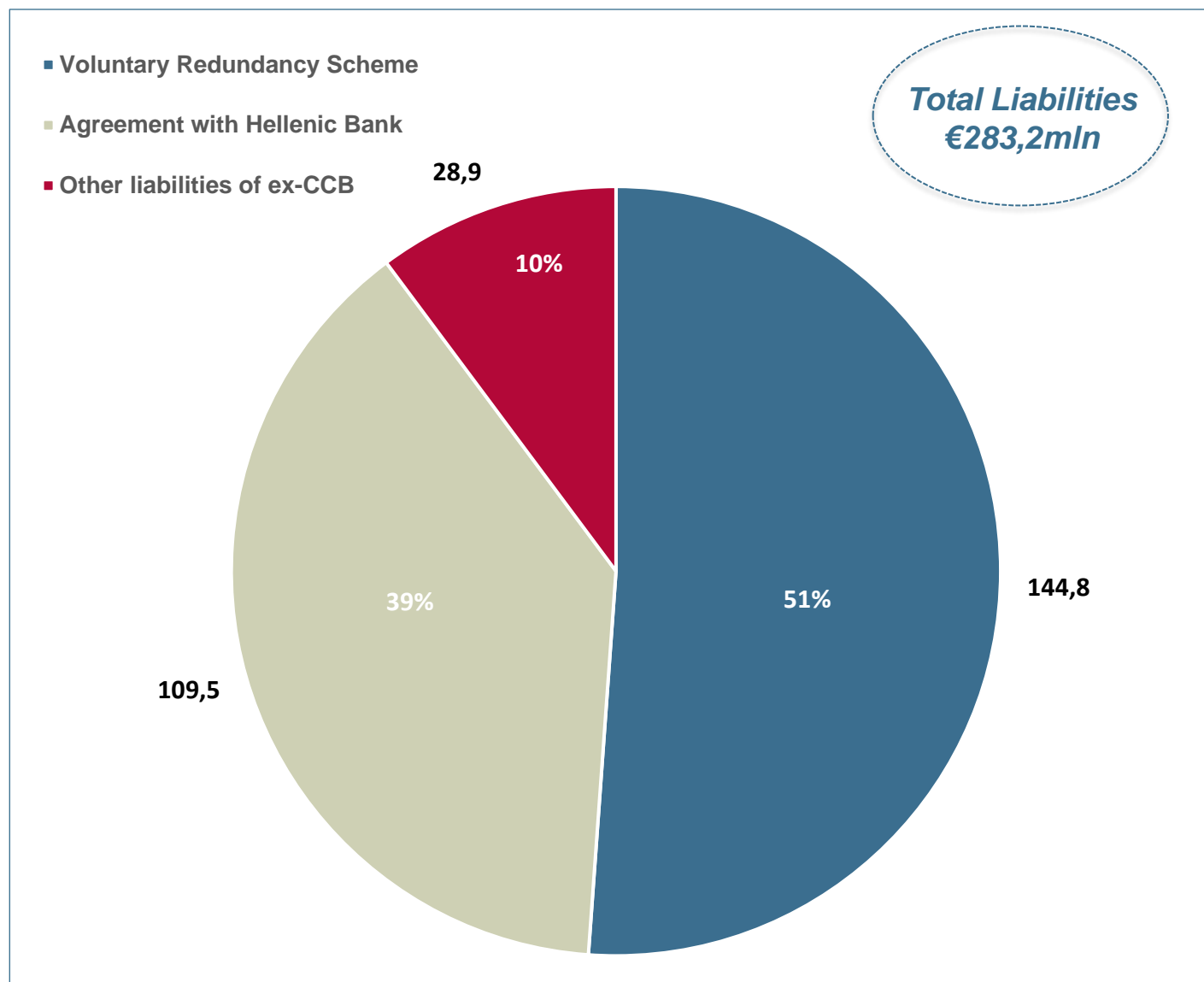
Other Expenses and Outflows

Other expenses and outflows of €281,4mIn which mainly relate:

- regular operating expenses (such as buildings costs, computer systems, networks and communications, document management, professional and supervisory expenses etc.). The accounting operational expenses of KEDIPEs are €83,6mIn of which €2,6mIn relate to 1Q2024 (€2,7mIn relate to 4Q2023).
- Asset Level Expenses for the management and recovery of assets (such as legal fees, appraisal costs, payment of taxes on the acquisition of property). These costs are €165,6mIn, of which €5,7mIn relate to 1Q2024. An amount of €52,9mIn of the Asset Level Expenses was paid to Government Services.
- capital expenditure and other flows.

A total of €119,1mIn was paid to the Government in the form of Value Added Tax and Asset Level Expenses.

Settlement of Liabilities of the former CCB (€mln)



KEDIPES undertook the management and repayment of ex-CCB liabilities. Until 31 December 2023, a settlement of liabilities totaling €275,8mln was made as follows:

Voluntary Redundancy Scheme

A total of 1.025 employees from the Cyprus Cooperative Bank left under a scheme on 31/08/2018. The total compensation of €128,9mln was paid in three instalments with the final instalment being paid in December 2019.

During November 2021, following the launch of a new scheme and a compensation scheme available to ex CCB employees who were transferred to doValue Cyprus Ltd, KEDIPES paid €11,7mln remuneration for the 59 people who left under the scheme (of which 20 were doValue Cyprus Ltd staff) and the 119 doValue staff for the abolishment of the right to return to KEDIPES.

Further:

- 19 employees departed under a Voluntary Redundancy Scheme in Q2 2022 with a cost of €1,8mln.
- 27 employees departed under a Voluntary Redundancy Scheme that was terminated on 31 March 2024, of whom 3 employees were compensated in Q4 2023 with a cost of €0,7mln, 7 employees were compensated in Q1 2024 with a cost of €1,1mln, while for 17 employees, compensation was paid after 31 March 2024..

Smaller other payments relate to medical and other benefits as provided by the schemes.

Agreement with Hellenic Bank

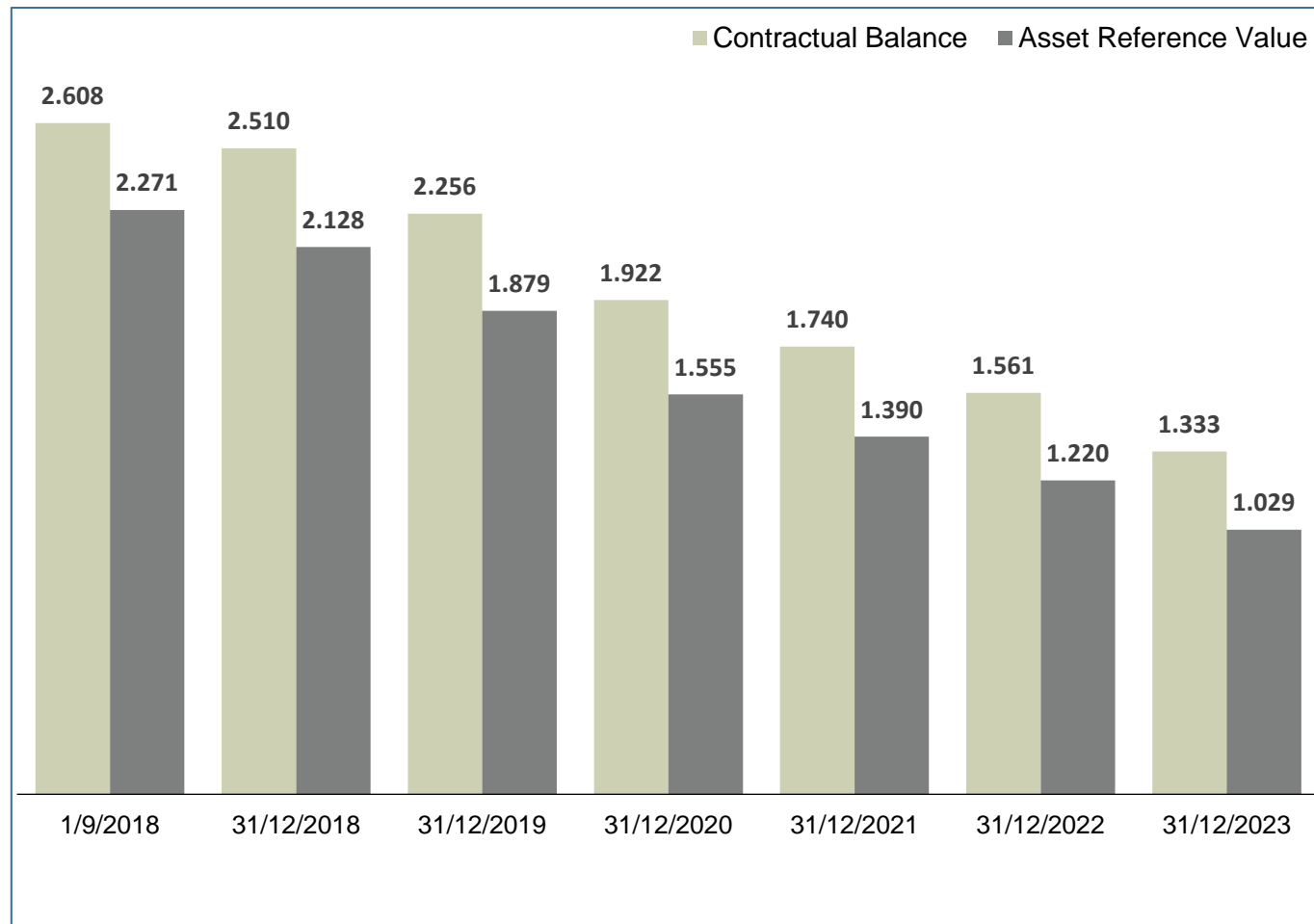
Amounts totaling €12,1mln have been paid to Hellenic Bank in relation to the agreement for the transfer of business.

Under the Asset Protection Scheme with Hellenic Bank total payments of €97,4mln have been made to Hellenic Bank until 31 March 2024.

Other Liabilities of ex-CCB

These mainly concern payments for taxes, social security and supervisory fees of €28,1mln.

APS Exposure (€mln)



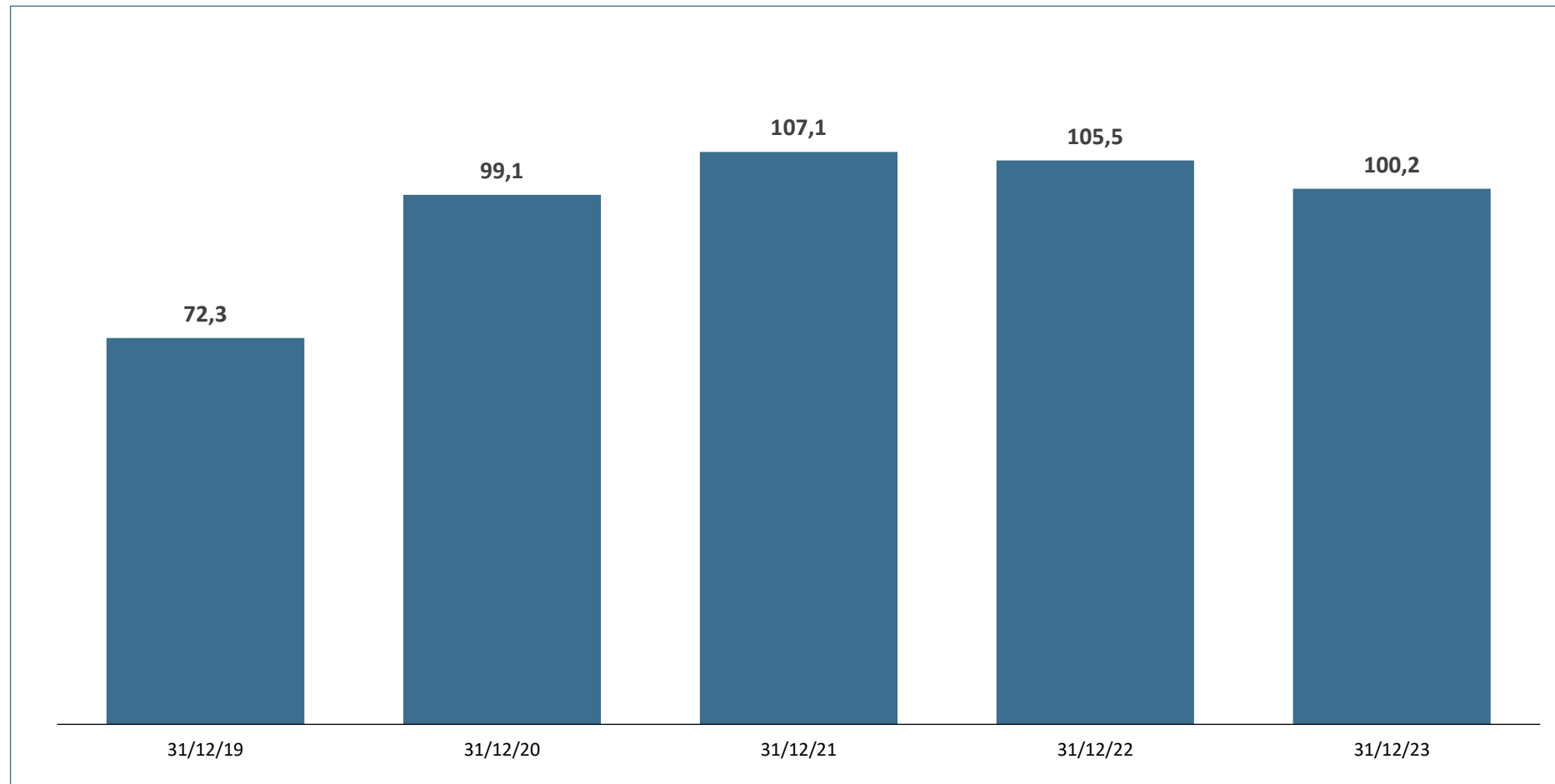
- The Contractual Balance of assets covered as at 31 December 2023 is €1,333mln, compared to €2,608mln at the start of the Scheme recording a decrease of 49%.
- According to the latest data provided by Hellenic Bank, the Reference Value of the assets covered on 31 December 2023 is €1.029mln. The reduction includes the impact of €184mln asset withdrawals on the second anniversary of the scheme and a small decrease of €2,3mln asset withdrawals on the third anniversary of the scheme. The Asset Reference Value as at 31 December 2023 is reduced by 55% from the start of the scheme.

The terms of the Business Transfer Agreement with Hellenic Bank included the set up of an Asset Protection Scheme (“APS”, “Scheme”) providing protection against future credit losses on the covered assets.

Key provisions of the Asset Protection Scheme

- The covered assets included loans with initial Contractual Balance of €2.608mln and Reference Value of €2.271mln. The Reference Value represents the initial sales consideration, and also the level of protection under the Scheme. The Reference Value decreases with repayments and losses and increases with unpaid interest.
- The protection offered under the APS is 90% of the losses incurred.
- The APS population consists of all non-performing loans acquired as well as performing loans split into two pools.
- APS Pool 1 includes higher risk loans with initial Reference Value of €1.351mln, including all non-performing loans. The duration of the cover is 12 years.
- APS Pool 2 includes loans with initial Reference Value of €920mln. The duration of the cover is 10 years. Any performing loans becoming non-performing loans are transferred to APS Pool 1.
- Based on the terms of the Scheme, HB has elected on the second anniversary of the scheme, to withdraw loans with Reference Value of €184mln and pay a fee of €4,3mln to the Republic of Cyprus.
- On the third anniversary of the scheme, HB has elected, to withdraw loans with Reference Value of €2,3mln and pay a fee of €22,8mln to the Republic of Cyprus.
- Starting on the fourth anniversary of the scheme, in October, HB is paying a fee of €1mln on each anniversary.
- Total payments by Hellenic Bank to the Republic of Cyprus as guarantor of the scheme reached so far €44,1mln.

Cumulative APS Claim (€mln)



- As part of the Scheme Hellenic Bank has submitted so far nineteen claims for the period 1st September 2018 to 31 December 2023 totaling €100,2mln.
- Payments of €97,4mln or 97% of all APS claims have been made to 31 March 2024, including a payment in 1Q2024 of €5,5mln.

Key provisions of the Asset Protection Scheme (cont'd)

Based on the terms of the Scheme, losses arise when the book value of the assets declines below the Reference Value. As a result, at the initial stages of the Scheme losses reflect accounting provisions while eventual losses will reflect the actual recovery of loans. Reversals of losses are accounted for as recovery.

An important provision of the Scheme is the obligation of Hellenic Bank to manage the assets without discriminating between APS Assets on one hand and non-APS Assets on the other hand ('Non-discrimination principle').

A Monitoring Committee, comprising one member of each party, an independent member and an observer from the Republic of Cyprus has been established to oversee the operation of the Scheme and the application of the Non-Discrimination Principle.

Each claim under the Scheme is supported by a sufficiently detailed calculation data file to allow verification of the losses.

The first claim, following an initial implementation period, covered the period between 1/9/2018 and 30/6/2019. Subsequently, claims are submitted on a regular quarterly basis 30 days after the publication of the financial results by Hellenic Bank.

The presentation entitled “Management Progress September 2018 – March 2024” (hereinafter the “Presentation”) was prepared by the Cyprus Asset Management Company Ltd (hereinafter “KEDIPES”) and has not been verified or validated by any auditor, legal advisor or accountant appointed by KEDIPES.

Inflows and outflows are presented on the basis of management information and analysis of cash movement. Chronological differences cause minor differences between quarters which do not affect the cumulative amounts. Assets are subject to reassessments. The information contained in the Presentation may be revised and/or modified at the sole discretion of KEDIPES.

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June 2024